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Japan

Details Regarding 'Final' GATT Draft Viewed

OW2012164691 Tokyo KYODO in English 1623 GMT 20 Dec 91

[Text] Geneva, Dec. 20 KYODO—Five years of global talks aimed at liberalizing world commerce have reached another critical stage with GATT Chief Arthur Dunkel shortly to table his last-ditch draft accord in hopes of salvaging a final pact.

Dunkel, director general of the General Agreement on Tariffs and Trade (GATT), is to present his 500-page "final act" in an attempt to force the limping Uruguay round of trade talks to completion.

Before unveiling the text, Dunkel is scheduled to deliver a speech summing it up to the Trade Negotiations Committee (TNC), the steering body for the round.

The TNC meeting, the last in 1991, was originally due to start at 5:00 P.M. local time (1:00 A.M. Saturday JST) but was delayed because of Swiss farmers surging into the GATT headquarters.

The global trade talks, launched in 1986 in Punta del Este, Uruguay, under the auspices of the world trade watchdog GATT, are the most ambitious attempt ever to reshape global commerce as the 21st century approaches.

The far-reaching negotiations, covering such areas as market access, services, and intellectual property rights, have already run a year beyond their originally scheduled duration due to rifts over the politically charged issue of farm trade reform, particularly between the United States and the European Community (EC).

Paralleling the TNC meeting, Washington and Brussels have started their end-of-year ministerial meeting in a bid to bridge their differences over how far and fast to wind down trade distorting farm subsidies.

Agriculture will be the focus of the Dunkel text, which is widely expected to provide for comprehensive conversion of quotas and other nontariff barriers into customs duties.

The so-called "tariffication" scheme, originally mooted by the U.S. and now approved by most other participants in the 108-country talks, has drawn fierce opposition from several participants including Japan, which fears it would lead to an opening of the domestic rice market.

At a preliminary session on agriculture that preceded the TNC meeting, Japan, together with Canada and South Korea, renewed its opposition to the comprehensive tariffication of import barriers.

Jiro Shiwaku, Japanese vice farm minister for international affairs, said at the session, "we can't accept what we cannot accept."

A Japanese Farm Ministry official also said in Tokyo that Japan will reject the Dunkel paper if it includes tariffication.

Another government source said, "it is too early for Japan to make a decision," indicating that Tokyo will await the results of the U.S.-EC meeting.

France, the EC's biggest farm exporter and the toughest opponent of deep farm subsidy cuts, has already declared it will oppose Dunkel's agricultural proposals.

Despite the remaining gaps in agriculture and most other areas under negotiation, however, the draft paper is expected to ultimately develop into a final pact on the long-running trade talks and any attempt to make major changes to it is seen as risking a collapse of the efforts of the past five years.

The negotiating parties will not be required to give immediate responses to the draft but possibly will be asked to reply in early January when the next TNC gathers January 13.

Miyazawa To Support U.S. 'Competitiveness' Bid

OW2012075991 Tokyo KYODO in English 0728 GMT 20 Dec 91

[Text] Tokyo, Dec. 20 KYODO—Prime Minister Kiichi Miyazawa said Friday he plans to show support for a U.S. bid to boost its competitiveness during President George Bush's trip to Japan next month.

Miyazawa told the House of Councillors's special committee on peace cooperation that Japan will cooperate as much as possible to help the United States regain economic competitiveness.

Noting that he would like to seek understanding from Japanese business leaders on the government's basic position, Miyazawa said Tokyo should "concede where it should" and offer utmost cooperation.

Bush, the first Western head of state to visit Tokyo since Miyazawa assumed the prime minister's post in early November, is expected to take up a wide range of trade issues during his January 7-10 stay.

Touching on General Motors Corp.'s announcement about sharp business cuts, Miyazawa said American people may have special emotions regarding the decline of the U.S. automobile industry because it is regarded as an industry the American people raised themselves.

GM said Wednesday it will eliminate 74,000 jobs and 21 factories in the U.S. and Canada within the next three years.

Auto Executives 'Perturbed' by Bush Stance

OW2012053391 Tokyo KYODO in English 0519 GMT 20 Dec 91

[Text] Tokyo, Dec. 20 KYODO—The Japanese automobile industry was perturbed Friday by U.S. President George

Bush's remark that he would seek increased procurement by Japanese carmakers from U.S. suppliers.

"We have already pledged to do the utmost in governmental and industry-to-industry negotiations on auto parts trade," a senior industry official said.

"There is no room to further increase our imports," said the official, who declined to be identified.

Japanese automakers have announced plans to nearly double their procurement from U.S. suppliers in 1994, compared with 1990 figures.

The Japanese industry has been alarmed by recent news dispatches from Washington, reporting a sweeping personnel cutback by General Motors Corp., the world's top automaker, and moves in Congress to introduce legislation that would impose sanctions against Japanese automakers if Japan's trade surplus with the United States does not shrink, industry sources said.

"We are afraid of what the U.S. Government and the 'Big Three' automakers have to say about bilateral auto and auto parts trade," another industry official said.

Bush will be accompanied on his four-nation tour early next month by a large economic delegation including representatives of the big three automakers—General Motors, Ford Motor Co. and Chrysler Corp.—indicating his determination to take up trade problems between Washington and the countries he will visit.

Bush and his party are scheduled to arrive in Japan on January 7 after a trip to Australia, Singapore, and South Korea.

U.S. Urges Joint Working Group on SSC Issue

OW1912182091 Tokyo KYODO in English 1302 GMT 19 Dec 91

[Text] Tokyo, Dec. 19 KYODO—The United States has called for establishment of a joint Japan-U.S. working group on the issue of Japan's financial contribution to the 8.25 billion dollar superconducting super collider (SSC) project in Texas, government and Liberal Democratic Party sources said Thursday.

The United States sounded out Koichiro Matsuura, director general of the Foreign Ministry's North American Affairs Bureau, about the establishment of the group when he visited the country December 13-18 for prior consultations for U.S. President George Bush's visit to Japan in early January, the sources said.

The U.S. is hoping for a Japanese contribution of up to 1.5 billion dollars for the project, the sources said.

The project is expected to be one of the key issues that Bush will raise in his talks with Prime Minister Kiichi Miyazawa during his Japan trip from January 7 to 10.

The SSC, due for completion in 1999, is an 85-kilometer circular tunnel where protons will whirl in opposite directions at almost the speed of light, eventually smashing together to recreate forces present at the origin of the universe.

New Senior Foreign Ministry Appointments Noted

OW2012132991 Tokyo KYODO in English 1241 GMT 20 Dec 91

[Text] Tokyo, Dec. 20 KYODO—Foreign Minister Michio Watanabe intends to promote Koichiro Matsuura to deputy foreign minister for economic affairs, replacing Koji Watanabe, Foreign Ministry sources said Friday.

Matsuura, 54, currently director general of the ministry's North American Affairs Bureau, will take over the new post soon after the January 7-10 visit to Japan by U.S. President George Bush, the sources said.

Yukio Sato, 52, director general of the Information Analysis, Research and Planning Bureau, will fill the post to be vacated by Matsuura.

Foreign Ministry spokesman Taizo Watanabe will be replaced by Masamichi Hanabusa, 58, who is currently consul general in New York.

Koji Watanabe and Taizo Watanabe will assume ambassadorial posts, the sources said.

Other new appointments will include Terusuke Terada as director general of the Latin American and Caribbean Affairs Bureau, Kazuo Ogura as head of the Economic Affairs Bureau, and Katsunari Suzuki as head of the Information Analysis, Research and Planning Bureau.

Terada, 53, is presently minister at the Japanese Embassy in Paris; Ogura, 53, head of the Cultural Affairs Department; and Suzuki, 53, minister with the Japanese delegation to the Organization for Economic Cooperation and Development.

NPA Warns of Increased Red Army Activities

OW1912102691 Tokyo KYODO in English 1010 GMT 19 Dec 91

[Text] Tokyo, Dec. 19 KYODO—The Japanese Red Army is losing its source of support following the disintegration of the Soviet Union and rapid changes in the Middle East, the National Police Agency [NPA] said Thursday in its annual report on the state of public security.

The report said that following attempts by Syria to improve relations with the United States, Red Army members are considering moving from their base in the al-Biqa' Valley in Lebanon where they had the protection of Syrian forces.

The agency cautioned that this could lead the Red Army to take on increased anti-American overtones as well as to target Japan.

The report listed a total of 121 incidents involving 173 persons across the political spectrum.

Of these, 14 incidents involved rightwing extremists firing gun shots at the headquarters of either the ruling Liberal Democratic Party or the offices of securities firms.

It also warned of a tendency among the "New Right" to intensify its criticism of government officials and the United States.

And for the first time in its annual reports, the agency also said the growing number of illegal foreigners in the country is beginning to pose a problem to public security.

The report said the agency recorded an increase in the number of cases of forged alien registration documents among foreigners overstaying their visas.

It said it noted increased "unease" among the populace over the presence of growing numbers of foreigners and said a comprehensive approach is required to handle the problem.

Upper House To Carry Over PKO Bill Debate

OW2012111291 Tokyo KYODO in English 1052 GMT 20 Dec 91

[Text] Tokyo, Dec. 20 KYODO—The House of Councillors voted Friday to carry over to the next session a bill that would allow the government to send Japanese troops overseas to join UN peacekeeping operations.

The bill, if enacted, would have empowered the government to send Self-Defense Forces [SDF] troops abroad for the first time since Japan's defeat in World War II.

Earlier, the more powerful House of Representatives passed the bill which referred it to the second chamber. Before a bill becomes law it must be approved by both houses of the Diet.

Members of the ruling Liberal Democratic Party (LDP), Komeito, the Democratic Socialist Party (SDP), and the Rengo Sangiin group voted in the upper chamber plenary session to continue deliberations on the bill in the next ordinary Diet session, set to start in late January.

The No. 1 opposition Social Democratic Party and the Japanese Communist Party voted against carrying over the bill.

With the decision, the current extra session of the Diet was virtually wrapped. The current session was due to expire Saturday.

Diet sources said the ruling party's failure to pass the bill through both chambers of the Diet by the end of the current parliamentary session virtually dealt a fatal blow to the bill and doomed any LDP attempts to pass it in next year's ordinary Diet session.

The sources said many individual LDP legislators will try to distance themselves from the party line, making them more reluctant to cooperate with further party attempts to pass the bill through the upper chamber.

They are worried about voters before July's nationwide election for parliamentary upper house seats.

When the LDP and Komeito forced the bill through a lower house committee November 27, opposition legislators tried to block committee chairman Yoshiro Hayashi from declaring the bill passed.

Legislation counterproposed by the opposition SDP included a plan that would empower Japan to dispatch civilian groups overseas to assist with relief work in disaster-stricken areas.

The legislation was killed, however, with the expiration of the length of the current extra Diet session.

Masakuni Murakami, chairman of the LDP's Diet Affairs Committee for the upper chamber, told reporters that the party would "do its utmost to pass the bill, while considering a major revision of the bill" to secure opposition support.

The Diet sources pointed out that the upcoming ordinary Diet session would have to place a priority on passage of the fiscal 1992 state budget.

The budget is likely to stir up a bitter parliamentary debate, however, over a proposed tax increase which the LDP says is designed to finance international contribution measures, the sources said.

Defense spending would be another focus in the ordinary session in view of the rapidly dissolving Soviet Union and the resulting formation of the Commonwealth of Independent States.

At the earliest, the LDP would be able to secure passage of the budget by early April, the sources said.

The sources said the ruling party may have to choose between giving up hope of passing the bill and complying with opposition demands that any dispatch of Japan's peacekeeping forces be subject to parliamentary approval.

Earlier during the extra Diet session, the ruling party alienated the middle-of-the-road Democratic Socialist Party (DSP) by spurning a DSP compromise offer to include a provision mandating advance parliamentary approval.

In response to a question about possible revision leveled Friday in the opposition-controlled upper house, Miyazawa said, "the government will have to pay due respect to the judgment and intention of the upper chamber."

Suggested that the ruling party would offer a compromise proposal to include a certain revision if opposition parties agree to narrow their differences over the proposed bill. [sentence as received] Miyazawa did not, however, elaborate on the possible revision.

The prospects for passage were overshadowed after the centrist party Komeito relented in the face of stiff intra-party criticism of elders by rank-and-file members.

Prospects were further clouded when the chairman of the upper house's ad hoc committee in charge of the bill's deliberation tendered a sudden resignation.

In a related development, the upper chamber voted Friday to continue deliberations on legislation that would permit the government to dispatch SDF troops overseas to join international relief work in disaster-plagued regions.

Meanwhile, the Social Democratic Party and the Japanese Communist Party renewed their respective vows to scrap the peacekeeping operations [PKO] bill.

The SDP also pledged to resubmit its bill to the ordinary Diet session.

The SDP proposal, which was killed Friday, would allow overseas dispatch of a group of civilians, rather than troops, to assist with relief work for victims of natural disasters.

Miyazawa To Do 'Utmost' for Bill

OW2012133191 Tokyo KYODO in English 1319 GMT 20 Dec 91

[Text] Tokyo, Dec. 20 KYODO—Prime Minister Kiichi Miyazawa vowed Friday to pass a bill that would allow Japan to deploy its troops on a limited basis to join UN peacekeeping operations.[PKO]

"Japan must extend a helping hand at this moment when the United Nations is trying to build peace in Cambodia," Miyazawa told reporters at his official residence.

"I will do my utmost to open the way for Japan's cooperation with the United Nations," the prime minister said.

He made the comments following the House of Councillors' vote Friday deferring the so-called PKO bill to next year's ordinary Diet session.

Passage of the bill is unlikely in that session because of July's national upper house parliamentary election.

Diet sources say ruling Liberal Democratic Party (LDP) members are reluctant to renew a bitter parliamentary row with opposition parties over the unpopular bill, which LDP legislators fear would alienate voters.

In a related development, the LDP's chief power broker Shin Kanemaru suggested he is aware of the intraparty criticism of Miyazawa among LDP legislators who are demanding that Miyazawa step down.

"I am aware that there are voices calling for the replacement of a pitcher (prime minister)," Kanemaru told a meeting of politicians who banded together to honor the memory of the late Shigeru Hori, one-time speaker of the House of Representatives.

Meanwhile, when asked why the LDP failed to secure passage of the bill during the current Diet session, Miyazawa said the bill "stirred up anxieties among the public" that the dispatch of Japanese troops might "trigger" an unexpected and unfortunate situation.

The prime minister was apparently referring to public concern that the sending of Japanese troops to join UN peacekeeping forces might involve Japan in military hostilities in foreign lands.

Miyazawa also said the government "failed to produce a sufficient understanding of the bill."

Opposition parties remained split in their appraisals of the results of Friday's vote to carry over bill deliberations to next January's ordinary Diet session.

While the Social Democratic Party (SDP) and the Japanese Communist Party [JCP] lauded the ballot results as virtually dealing a fatal blow to the bill, the centrist Komeito renewed its vow to legislate the bill during next year's Diet session.

SDP chairman Makoto Tanabe told reporters that he regrets the vote but added the public is aware of the "achievements of our struggle" with the LDP.

JCP presidium chairman Tetsuzo Fuwa also told a meeting of party legislators, "we have attained a great achievement."

Komeito secretary general Yuichi Ichikawa told a meeting of party lawmakers that his party must legislate the bill on the basis of convictions regarding the righteousness of the policy that earlier led to the party's support.

LDP Report on SDF Participation in UN Force

OW1912152991 Tokyo KYODO in English 1453 GMT 19 Dec 91

[Text] Tokyo, Dec. 19 KYODO—Future participation by the Self-Defense Forces (SDF) in a U.N. force would be possible by revising the interpretation of the Constitution, according to the final draft report of a Liberal Democratic Party [LDP] panel obtained Thursday.

The report of the LDP Research Commission on Japan's role in international society said the spirit of Japan's Constitution is not passive pacifism but positive and active pacifism.

The use of force to maintain and restore international peace does not violate Article 9 which prohibits the use of force to settle international disputes when it is carried out in cooperation with the United Nations, the report said.

It is necessary to consider Japan's positive cooperation and participation in a U.N. force, it said.

Under the present government's interpretation of the Constitution, the use of force, except for self-defense, is not permitted, nor is the use of force to defend another country with which Japan has an alliance, it said.

The draft, however, said it has been widely recognized in the international community that there is a concept of collective security to implement U.N. measures, including the use of force, to maintain peace and order in international society.

It is possible to allow the SDF to participate in a U.N. force in line with this concept by changing the traditional interpretation of the Constitution, it said.

The final draft of the panel, chaired by former LDP Secretary General Ichiro Ozawa, did not, however, call for Japan's participation in a multinational force such as that formed during the Persian Gulf war.

LDP Council Proposes Government Tax Increase

OW1912132091 Tokyo KYODO in English 1245 GMT 19 Dec 91

[Text] Tokyo, Dec. 19 KYODO—The Liberal Democratic Party's Tax Council Thursday proposed that the government increase taxes to raise an additional 737 billion yen in fiscal 1992 to make up for an expected revenue shortfall.

The panel, in the LDP's taxation platform for fiscal 1992 adopted the same day, also said the government should consider an outlay to boost Japan's international contributions.

In order to secure the additional tax revenue, the LDP's Research Commission on the Tax System said the government should establish a new 2.5 percent corporate tax, impose a special consumption tax of 4.5 percent on automobiles, and implement some other taxation measures.

Council chairman Kabun Muto, former minister of international trade and industry, said at a press conference that his panel had modified its tax proposals considerably.

He also stressed the need for fiscal measures to help finance Japan's international contributions and said it would be important to gain public understanding for such measures.

"Japan will in the future have to extend aid also to areas not covered by the current Official Development Assistance," he said.

"I think we should consider legislation in addition to taxation measures in handling the issue. If we can get public support for such measures, we could more easily discuss the issue during the tax modification talks for fiscal 1993," he said.

In the platform adopted Thursday, the council proposed the government raise 404 billion yen by imposing an additional corporate tax of 2.5 percent above an exemption threshold of 4 million yen.

The new corporate tax will be a virtual continuation of a similar special levy on companies introduced in fiscal 1991 to finance Japan's contributions to the multinational forces in the Persian Gulf war, but the basic exemption threshold for each company will be raised to 4 million yen from 3 million yen.

The council also recommended the government continue the special consumption tax on cars, but lower the rate to 4.5 percent from the current 6 percent.

The continuation of this special tax on cars will bring in 80 billion yen in government revenues. The current consumption tax rate was introduced in 1989 in place of the scrapped commodity tax.

The consumption tax rate for other goods and services is 3 percent.

All of the 200 billion yen in additional revenue from a new land value tax, which will be imposed from the outset of fiscal 1992, should be earmarked to help balance the budget, the council said.

It also said the government should raise 50 billion yen by scrapping a deficit repayment scheme for companies that suffer losses.

The panel proposed that the special corporate tax and the special consumption tax on cars be lifted after two years, and that the repayment for companies suffering losses be reintroduced after two years.

Muto said, "We decided on a two-year term since the outlook for the economy is uncertain."

"If the government is assured of getting sufficient revenue for fiscal 1993, it should annul the law," he said.

On the other hand, the council proposed cutting inheritance tax revenues by 19 billion yen by raising the basic exemption level and other modifications of the tax brackets.

It also said the minimum taxable amount for resident tax should be raised.

The LDP Tax Council had originally planned to propose an 800 billion yen tax hike for fiscal 1992, but reduced the amount after strong opposition from business leaders and the auto industry.

They were also angered by a panel proposal to raise taxes to boost Japan's international contributions, made last week as the negotiations over tax increases were coming to a head.

The Finance Ministry and the Ministry of International Trade and Industry tried to persuade businesses to accept the tax increases by stressing they would be for Japan's international contributions.

But the government abandoned the plan after it was lambasted by many LDP council members.

Business Leaders Critical of Plan

OW2012060691 Tokyo KYODO in English 0546 GMT 20 Dec 91

[Text] Tokyo, Dec. 20 KYODO—Top Japanese business leaders criticized the ruling Liberal Democratic Party (LDP) on Friday for deciding on a 737 billion yen tax increase as part of the party's fiscal 1992 tax platform.

LDP Secretary General Tamisuke Watanuki and three other top party executives met with leaders of four major economic organizations to seek their understanding of the party decision, party officials said.

The LDP approved the platform proposed by the party's tax council.

"As our last ditch efforts to avoid issuing deficit-covering bonds for an expected tax-revenue shortfall, we'd like to create a special corporate tax," Watanuki was quoted as telling the meeting.

Gaishi Hiraiwa, chairman of the Federation of Economic Organizations (Keidanren), citing recent economic reports by the Economic Planning Agency and the Bank of Japan, said "we see business conditions in Japan as more serious than the agency and the central bank do."

Masaru Hayami, chairman of the Japan Association of Corporate Executives, suggested the government increase tax revenues by reinvigorating the Japanese economy.

"The tax increase runs counter to the basic economic policy the government should take at a time when economic activities are decelerating," he said.

Watanuki said his party will make its utmost efforts to help stimulate the economy by increasing spending for public infrastructure.

Business leaders basically agreed with the LDP that Japan needs to boost its international contributions, the party officials said without elaboration.

Panel Urges Capping Government Bond Issue

OW2012083491 Tokyo KYODO in English 0753 GMT 20 Dec 91

[Text] Tokyo, Dec. 20 KYODO—The government should continue its tightfisted policy toward issuing government bonds as a source of revenue in fiscal 1992, a Finance Ministry advisory panel said Friday.

The growing issuance of government bonds is depriving the government of fiscal flexibility, the fiscal system council said in a report submitted to Finance Minister Tsutomu Hata.

The council urged the government to minimize the issuance of construction bonds and not issue any debt-financing bonds in fiscal 1992.

Japanese law allows the government to issue bonds to finance public works projects, or construction bonds, but the government must enact special legislation to issue bonds to finance the deficit.

The council called on the government to stick to its medium-term target of reducing the amount of outstanding bonds to less than 5 percent of the general account of the national budget in fiscal 1995.

The government has already decided to issue a maximum of 7.2 trillion yen in construction bonds in fiscal 1992 in the face of dwindling tax revenues.

Bonds outstanding are expected to reach 170 trillion yen at the end of fiscal 1991 next March.

After a decade of belt-tightening fiscal policy, the government managed to stop issuing debt-financing bonds in fiscal 1990 for the first time since fiscal 1974.

The fiscal system council called for reviewing the necessity and priority of all existing expenditures to meet current fiscal conditions.

But it argued that fiscal expansion to boost the sagging economy is not a wise policy since it could rekindle inflation.

The council recommended several measures to curb spending, including abandonment of the free distribution of textbooks in compulsory education, charging telecommunications businesses for use of the airwaves, and reducing the fiscal burden for the managed-food system.

Government Lifts Limit on Land-Related Lending

OW2012052291 Tokyo KYODO in English 0334 GMT 20 Dec 91

[Text] Tokyo, Dec. 20 KYODO—Prime Minister Kiichi Miyazawa's cabinet gave the green light Friday to scrapping curbs on real estate-related lending, following further decreases in land prcies, according to government officials.

The final decision, to take effect January 1, was made as a latest government survey found land prices declining at a faster pace as a result of the 21-month-old directives from the chief of the Finance Ministry's Banking Bureau, the officials said.

Instead of restrictions on lending to land-related deals, the ministry will begin a "trigger" system to automatically issue a warning if the land price growth rate surpasses that of overall lending by three percentage points for two months in a row.

If no signs of improvement are seen and the margin widens to five points, lending to realtors will be restricted immediately, the officials said.

The survey, released Friday, shows prices for housing land in Tokyo and Osaka dropped by 7 to 9 percent and 10 to 13 percent, respectively, in December from July.

The quarterly poll, conducted by the National Land Agency, was reported to a meeting of cabinet members on land price issues, the officials said.

The government introduced the measures to limit the growth of lending by financial institutions to real estate companies to less than that of overall lending in April 1990 to curb skyrocketing land prices.

Finance Minister Tsutomu Hata and Chief Cabinet Secretary Koichi Kato said the government will continue to seek financial institutions to refrain from helping speculative real estate transactions.

The two ministers said the original aim of the lending restraints as an emergency measure to calm the surge in land prices has been accomplished.

The real estate industry said the government decision came too late, predicting bankruptcies of medium- and small-standing realtors will continue.

The cabinet members said the government will be ready to take prompt action whenever necessary to control upward pressure on land prices, adding it is desirable for land prices to decline 20 to 30 percent from present levels.

Hata said the government's decision will play a role in stimulating the economy.

Kato said the government will consider comprehensive measures to stabilize real estate prices.

Chiyoji Misawa, president of Japan's leading home builder Misawa Homes Co., said housings starts and sales of apartments have plummeted under pressure of lending curbs and the housing industry slump will continue toward the end of the century.

Real estate industry officials said financial institutions will remain hesitant on lending to realtors, causing more firms to collapse in the future.

Finance Ministry Issues Directive

OW2012154991 Tokyo KYODO in English 1040 GMT 20 Dec 91

[Text] Tokyo, Dec. 20 KYODO—The Finance Ministry issued a directive Friday on real estate-related lendings and said it will closely monitor such lendings by banks and nonbank financial institutions.

The chief of the ministry's banking bureau issued the directive after Prime Minister Kiichi Miyazawa's cabinet gave the green light earlier Friday to scrapping curbs on real estate-related lendings effective January 1, following recent decreases in land prices.

The directive said the ministry will continue to restrict lendings for speculative real estate deals after January 1.

It also said the ministry will implement an automatic warning system if the land price growth rate surpasses that of overall lendings by 3 percentage points for two months in a row.

If no sign of improvement is seen and the margin widens to five points, lendings to realtors would be restricted immediately.

Nonbank financial institutions, along with banks, have granted massive loans to real estate companies and contributed to the growth of the "bubble economy" which has sent stock and real estate prices spiraling in the late 1980s.

Officials said the Finance Ministry will monitor land-related financing activities of nonbanks by checking their financial reports, which are required under the revised financing business law.

Trade Surplus 'Likely' To Top $100 Billion

OW1912104691 Tokyo KYODO in English 1026 GMT 19 Dec 91

[Text] Tokyo, Dec. 19 KYODO—Japan's trade surplus is likely to top 100 billion dollars in fiscal 1992 to reach a record high, according to forecasts by major private economic research agencies and financial institutions compiled and released by Thursday.

They also predicted that Japan's current account surplus will swell to about 70 billion dollars during the fiscal year beginning next April.

They attributed the heftier surpluses to the slowdown of the economy which is expected to keep import growth moderate.

An analyst from the Industrial Bank of Japan warned that the expected surpluses will increase Japan's friction with its trading partners, who will further pressure it to boost domestic demand.

Many analysts see Washington taking advantage of U.S. President George Bush's visit to Tokyo next month to urge the Japanese Government to relax its grip on credit to help pump up the U.S. economy.

They predict Japan's trade surpluses will come close to 100 billion dollars in fiscal 1992 as imports of paintings and other high-priced goods that surged along with the so-called "bubble economy" dwindle.

The trade surplus in fiscal 1992 will probably also be expanded due in part to a projected jump in exports springing from economic recoveries abroad and an anticipated decline in crude oil prices, they said.

According to estimates released by Nomura Research Institute, DKB Research Institute Corp., and NLI Research

Institute, Japan's trade surplus will top the 101.6 billion dollar level to post an historic high in fiscal 1992.

A projected rise in travelers overseas will push Japan's tourism account further into the red, most of the institutes predicted.

However, Japan's fiscal 1992 current account surplus will be about double that of its fiscal 1990 surplus, which totaled 33.7 billion dollars, they said.

Shorter Working Hours Said To Boost Efficiency

OW1912113491 Tokyo KYODO in English 1103 GMT 19 Dec 91

[Text] Tokyo, Dec. 19 KYODO—Shorter working hours will be more beneficial than harmful to the economy despite persistent arguments to the contrary, according to a report published Thursday by a study group of the Ministry of International Trade and Industry (MITI).

The report said shorter hours will help boost industry efficiency, provide more working opportunities to women and the elderly, boost national consumption, cut the trade surplus, and give people more leisure time.

On the other hand, negative impacts such as increased pressure on the already tight labor market and a dampening effect on the economy would be negligible, according to the report.

The study comes as Japan is trying to bring its still considerably long working hours in line with those of other industrial nations.

The average Japanese worked 2,052 hours in fiscal 1990, the highest among 24 member countries of the Organization for Economic Cooperation and Development.

Employees in the Japanese manufacturing sector worked 2,159 hours, compared with 1,638 hours in former West Germany, 1,989 hours in Britain, and 1,957 hours in the United States, according to the study.

Japan's workaholism not only keeps its people from being completely happy with their lives but also isolates the country from the international community, which sees its unabated trade surplus as a product of the long working hours.

Demonstrating its argument shorter working hours will do more good than harm, the report said even if the labor force worked 1 percent less hours than now, the economy could sustain a healthy growth of around 4 percent throughout the next decade if productivity is sufficiently raised.

A 1 percent reduction in hours would translate to an estimated labor demand growth of only 0.7 percent, the study said.

In addition, a 1 percent cut would boost consumption by 0.5 percent, increasing imports by 0.45 percent, or 1 billion dollars, it said.

Mihama Nuclear Accident Spurs Safety Call

OW2012052391 Tokyo KYODO in English 0250 GMT 20 Dec 91

[Text] Tokyo Dec. 20 KYODO—The cabinet on Friday approved a white paper on nuclear safety which calls for preventing a recurrence of accidents like the one in February this year at the Mihama nuclear power plant in Fukui Prefecture, central Japan.

Science and Technology Agency chief Kazuo Tanigawa submitted the paper compiled by the Nuclear Safety Commission to the cabinet meeting.

Describing the Mihama accident as a most serious mishap, the annual paper stressed the need for establishing a safety management system and designing and building nuclear plants with improved safety features, especially to prevent leaks of radioactivity, agency officials said.

The accident of the No. 2 reactor in the Mihama plant run by Kansai Electric Power Co. was the first in Japan in which the emergency core-cooling system was triggered.

In the accident, one of a steam generator's 3,200 heat transfer tubes snapped in half, causing a massive loss of primary coolant and activating the emergency core-cooling system of the 500,000-kilowatt pressurized light water reactor.

There had been a strong possibility of radioactive leakage outside the Mihama nuclear plant in the February accident, the paper said.

Pointing out that there are massive amounts of radioactive materials being produced and held in a nuclear reactor, the white paper said any accident at a nuclear plant could pose serious hazards to residents living nearby.

The paper urged the government and electric power companies to take appropriate measures for the safety of residents.

It also proposed improving the cooling system and heat transfer tubes to prevent the recurrence of a similar accident.

When the tube broke in the accident, the emergency cooling system injected some 50 tons of cold water into the core to make up for coolant water lost from the reactor.

This was to prevent the core from superheating, which could have resulted in a meltdown. A meltdown could have caused a massive radiation leak.

Media 'Bribed' To Downplay Shady Deal Criticism

OW1912225191 Tokyo KYODO in English 1606 GMT 19 Dec 91

[Text] Osaka, Dec. 19 KYODO—Itoman Corp., whose former top officials went on trial Thursday on charges of extending illegal loans to fund real estate speculation, bribed an employee of the NIHON KEIZAI SHIMBUN

and three others to downplay criticism of its shady business dealings, prosecutors alleged.

The accusations were revealed at the first hearing of a trial regarding the massive land speculation and loan scandal involving Itoman. The trial started at the Osaka District Court on Thursday.

Former Itoman President Yoshihiko Kawamura, 67, arranged for one of his accomplices to turn over 10 million yen to an employee of the NIHON KEIZAI DAILY in October 1990, as well as five million yen to a former journalist of the SHUKAN SHINCHO weekly magazine, prosecutors said.

Kawamura instructed the accomplice—Arcadia Corp. President Shigeru Kobayakawa—to secure the NIHON KEIZAI employee's collaboration in identifying the daily's journalist who wrote critical news stories about the Itoman scandal as well as his news sources in a bid to pressure the writer to stop further critical reporting, the prosecutors said.

Prosecutors failed to identify the NIHON KEIZAI employee who they said received the money. The NIHON KEIZAI SHIMBUN is an influential financial daily.

Kobayakawa—now on trial for breach of trust—paid five million yen to Osamu Fukunaga, 63, a former reporter of the weekly magazine which had waged a press campaign criticizing the shadowy dealings of Itoman, the prosecutors said.

Itoman also paid 200 million yen to the monthly magazine "KEIZAIKAI" ("BUSINESS COMMUNITY") and managed to arrange for the magazine to carry two favorable news stories defending Itoman, then suffering from dwindling credibility due to the disclosures, the prosecutors said.

The favorable news stories were carried in the July and August issues of the magazine after the magazine's president, Masatada Sato, complied with Kawamura's request for the publication of the stories, the prosecutors said.

Kawamura decided to seek Kobayakawa's collaboration after Kobayakawa threatened to tarnish Itoman's reputation by publishing critical stories about the Itoman scandal unless the firm complied with his demand for a loan totaling one billion yen, the prosecutors said.

Itoman gave in to the blackmail and extended the money in October 1990 to Kobayakawa's Arcadia Corp., which demanded the loan on the false pretext that the money would be used to finance its cemetery development program in the hot spa resort of Hakone, Kanagawa Prefecture, the prosecutors said.

Of the total loan, some 870 million yen was diverted from Kobayakawa to a member of an underground crime syndicate and another 10 million yen was handed over to the NIHON KEIZAI employee, they said.

Later Arcadia Corp. went bankrupt and Itoman found it impossible to recoup the loan, the prosecutors said.

At the hearing, the prosecutors quoted Kobayakawa in a testimony as telling Kawamura in September 1990, "I can prevent the SHUKAN SHINCHO from publishing their news stories and influence the NIHON KEIZAI DAILY."

Noboru Yamada, the NIHON KEIZAI's public relations bureau director, issued a statement on Thursday saying, "our company cannot help taking the prosecutors' accusations seriously at the first hearing (on the Itoman scandal)."

"We have immediately initiated efforts to confirm the veracity of the accusations. If the accusations should turn out to be true, we will take strict punitive measures," according to the statement.

Yamada told a news conference, "we are now investigating the authenticity of the allegations with our probe centering on the city desk and economic news departments in our Tokyo and Osaka branch offices."

Motokichi Kawai, chief editor of the KEIZAIKAI magazine, said, "it is my understanding that our journalists wrote the news stories of their own accord by interviewing Itoman officials," rather than responding to alleged Itoman requests to produce favorable stories.

"I am not sure whether or not (the prosecutors accusations) are facts, as I am not implicated myself in the alleged handing over of money," he said.

Hiroshi Matsuda, editor-in-chief of the SHUKAN SHINCHO, told a news conference, "we came to know of the prosecutors' accusations for the first time after reading of their accusations at the hearing. We have not received any contact from Mr. Osamu Fukunaga (accused of receiving the five million yen bribe)."

Matsuda said although Fukunaga was enrolled on the firm's regular payroll in 1970, he resigned from the firm in 1981.

Talks With Germany To Prepare Economic Summit

AU1912134291 Duesseldorf HANDELSBLATT in German 19 Dec 91 p 9

[Report by "ga": "Asia's Importance To Be Considered More at Munich Summit"]

[Text] Tokyo, 18 December— Within the scope of preparations for the world economic summit scheduled to be held in Munich early in July 1992, Horst Koehler, state secretary in the Federal Finance Ministry, on behalf of Chancellor Helmut Kohl, held talks with Japanese Prime Minister Kiichi Miyazawa and Foreign Minister Michio Watanabe.

On the sidelines of these talks, the German-Japanese financial consultations that had been interrupted for five years

were also resumed. According to Japanese press reports, Prime Minister Miyazawa told Koehler during the 40-minute meeting that in the present situation, it is not possible to separate economic and political topics. He said that at the Munich summit, political developments in the USSR should also be discussed, and due attention should be given to the existing problems in Asia.

Tokyo Wants To See its Position on the Kuril Islands Confirmed

Miyazawa said that in the 21st century, the economic development in Asia will become increasingly important for the world economy. At the same time, a peace settlement in Cambodia and on the Korean peninsula is indispensable to achieve and preserve political stability in this region. Koehler promised Miyazawa that he would work to make sure that Japan's ideas will be considered in the results of the world economic summit, which will primarily deal with the development of the world economy, the situation in the USSR, and the measures that the summiteers will take in this respect, as well as problems related to the preservation of the natural environment.

Foreign Minister Watanabe briefed Koehler on the ongoing negotiations with North Korea on the resumption of diplomatic relations, and said that essential obstacles to a successful conclusion of these talks are Pyongyang's refusal to permit the International Atomic Energy Agency to inspect its nuclear facilities, and the existing concerns about North Korea's nuclear program. Watanabe also stressed to Koehler that it is of essential importance for Tokyo that Japan's specific position on the issue of the South Kuril Islands be recognized at the next world economic summit.

Koehler's interlocutor in the bilateral financial consultations was Tadao Chino, vice minister in the Japanese Finance Ministry. In these talks, Koehler encouraged the Japanese side to continue on the road of liberalization, according to a press statement of the German Embassy in Tokyo. In this connection, the state secretary mentioned in particular the "problems" that German banks have in Japan. The problems are that separate business units for commercial banking business and the securities business must be maintained in Tokyo as a financial center, with the banks being permitted to hold only 50 percent of the capital of the respective subsidiary.

Plans on the Admission of Subsidiaries

In this respect, the Japanese side discussed plans on the admission of special subsidiaries that will allow foreign banks to do securities business without having to use the services of external partners. The Japanese side believes that this basic reform of the Japanese financial system will be implemented within three years' time.

Koehler also explained the recent decisions of the European Council at Maastricht on the gradual implementation of the Economic and Monetary Union. Both sides agreed that the European Economic and Monetary Union will help stabilize the world monetary system and strengthen international trade. Chino stressed in this context that this process of inner cohesion should proceed in a way ensuring that no obstacles are set up that would bar access by third countries.

NTT Mulls British Telecom's Syncordia Offer

OW1812110491 Tokyo KYODO in English 1030 GMT 18 Dec 91

[Text] Tokyo, Dec. 18 KYODO—Nippon Telegraph and Telephone Corp. (NTT) indicated Wednesday it would join an international telecommunications firm inaugurated in the United States by British Telecom.

NTT has been invited to participate in the project, called Syncordia, which was launched in September in Atlanta, Georgia, to provide worldwide telecom services to multinational enterprises.

Masashi Kojima, president of the company, told a news conference, "We have not yet made a final decision, but I don't think we can ignore their request since the company is landing in Japan."

Kojima made the remark in connection with a decision by Syncordia to expand into the value added telecommunications network (VAN) service in Japan.

The Posts and Telecommunications Ministry said it has approved Syncordia's request for a license to do business here.

Kojima said NTT is negotiating with Syncordia on various aspects of its participation in the venture, such as composition of shareholders and NTT's role.

NTT will not be pleased if its equity share in the venture is too small compared with that of other partners, he said.

Colombian Source: Toshiba Paid $2 Million Ransom

OW2012123691 Tokyo KYODO in English 1223 GMT 20 Dec 91

[Text] Tokyo, Dec. 20 KYODO—Toshiba Corp. has paid 2 million dollars in ransom to the Colombian kidnappers of two of its employees, an influential source close to the Colombian Government said Friday.

The source, speaking to KYODO NEWS SERVICE by telephone from Colombia, said the kidnappers were members of the leftist guerrilla group Fuerzas Armadas Revolutionarias de Colombia (FARC) and the money has been handed over in old bills.

The source said a further sum was paid to the Communist Party headquarters as an expression of gratitude for its efforts in mediating their release.

Toshiba sought the contacts with the influential source and the Communist Party through the Colombian Government.

Direct contact with FARC was only achieved a month after the attempts began.

The source said negotiations took place several times and at the end of November, FARC demanded 1 million dollars for each of the hostages.

Previous ransoms in Colombia have involved amounts between 300,000 and 500,000 dollars.

Meanwhile, the two Toshiba employees, Akiyoshi Nakayama, 55, and Toshihiro Konishi, 41, arrived in Japan on Friday evening after 111 days as hostages in mountainous terrain in Colombia.

The two men left their plane dressed in grey suits and appeared no worse for their almost four-month experience.

Konishi rushed over to his wife Hideko when he spotted her inside the airport terminal, held her hand firmly and said, "I'm back."

Nakayama's wife, Tamiko also welcomed her husband inside the terminal and said he appeared much healthier than she expected.

Asked how he felt to be back in Japan, Nakayama said he was glad to be back with his wife.

Konishi said that throughout the period of captivity, he had always nursed a hope to get back to Japan alive.

"We were kept in a tiny place, so I'm looking forward to stretching out when I sleep," he said.

The two men later left on a bus for a Tokyo hospital where they are to undergo medical checks.

North Korea

U.S. Congressman Solarz Visits Museum, Store

SK2012015691 Pyongyang Korean Central Broadcasting Network in Korean 1500 GMT 18 Dec 91

[Text] Stephen Solarz, chairman of a U.S. House of Representatives subcommittee on Asian and Pacific affairs, and his entourage visited the Museum of Korean Revolution on 18 December.

The guests visited the exhibition hall of the Fatherland Liberation War. Listening to the explanation about the provocation of the war by the U.S. imperialists and their cat's paws on 25 June 1950, they carefully looked around the historic materials and artifacts showing the great leader's strategic and tactical policies and his brilliant victory.

The guests also visited the First Pyongyang Department Store on the same day.

The Korean Diplomatic Association arranged a banquet for the guests.

Commentary Stresses Need for Denuclearization

SK2012042391 Pyongyang Korean Central Broadcasting Network in Korean 1150 GMT 19 Dec 91

[Commentary by station commentator Chong Pong-kil: "The Korean Peninsula Should Be Turned Into a Nuclear-free Zone at an Early Date"]

[Text] As has already been reported, on 18 December Premier Yon Hyong-muk, head of the North side's delegation to the North-South high-level talks, sent to Chong Won-sik, chief delegate of the South side's delegation, a telephone message proposing holding the first contact of delegates on 26 December at Tongil House in our side's area in Panmunjom in accordance with the agreement on holding contacts of delegates to negotiate the denuclearization problem which was reached during the fifth round of North-South high-level talks. This reflects the aspiration and desire of all of our fellow countrymen for turning the Korean peninsula into a nuclear-free zone at the earliest possible date and draws attention from the people at home and abroad.

As everyone knows, the nuclear issue of the Korean peninsula is precisely the matter related to the destiny of our fellow countrymen and our descendants and a matter related to the existence of the nation. It is also a serious matter related to peace and security in Asia. This is why the nuclear issue has become the center of great attention among the people at home and abroad today and why the people of the world regard the solution to this issue as the key to achieving global peace.

Proceeding from such a serious issue, we have been strongly calling for the withdrawal of U.S. nuclear weapons ever since they were deployed in South Korea. Along with this, we advanced a proposal to make the Korean peninsula a nuclear-free peace zone, and since then we have made consistent efforts for its realization.

However, our efforts have failed to receive due response from the United States and the South Korean authorities. As a result, we have been the target of U.S. nuclear blackmail for over 30 years, and the South Korean people and all of our fellow countrymen have lived as the hostage of U.S. nuclear weapons.

However, the situation has changed today. The struggle to abolish nuclear weapons and to establish nuclear-free zones is being waged in the world today, and the United States has officially admitted the fact that it has deployed nuclear weapons in South Korea and has talked about their withdrawal.

Taking this into consideration, at the fourth round of North-South high-level talks we put forward an emergency proposal that a declaration of the denuclearization of the Korean peninsula be adopted. This emergency proposal of ours was to elucidate the way of most thoroughly resolving the nuclear issue of our country—

which is one of the greatest tasks for our nation—of most reliably protecting our fellow countrymen from the thereat of nuclear calamity.

After we put forward this denuclearization proposal, the South Korea authorities announced, though belatedly, a declaration related to denuclearization. At the fifth round of North-South high-level talks they accepted a simultaneous nuclear inspection of the North and the South and promised to discuss and solve the issue of turning the Korean peninsula into a nuclear-free zone.

This notwithstanding, recently the U.S. imperialists and persons in authority of South Korea are spreading, through mass media, the rumor that the withdrawal of nuclear weapons has been completed. The basic source of the nuclear threat on the Korean peninsula is the U.S. nuclear weapons deployed in South Korea. Therefore, if these nuclear weapons have been actually withdrawn from South Korea, it is a very good thing. However, we cannot confirm only with press reports whether the withdrawal of U.S. nuclear weapons from South Korea has been actually completed or not.

It was precisely the United States who introduced nuclear weapons into South Korea, and it is none other than the United States who should pull them out of South Korea. Therefore, the United States itself should make an official announcement on withdrawal of its nuclear weapons from South Korea. Then, if the United States begins withdrawing nuclear weapons from South Korea, as stated in our Foreign Ministry's 25 November statement, we will sign the nuclear safeguard agreement, and the inspection to verify whether or not there are nuclear weapons in South Korea and the inspection of our nuclear facilities will be simultaneoulsy conducted.

Along with this, if the persons in authority in South Korea bear good fruit [as heard] at a contact of delegates to be held on 26 December at the Tongil House in our side's area of Panmunjom to negotiate the declearization issue, as proposed by our side, a guarantee for solving the issue of nuclear threat within the nation and with the independent strength of the nation will be provided. This is only too just in terms of national independence.

We should no longer delay the solution of the nuclear issue on the Korean peninsula. It is a sin to the nation to have introduced nuclear weapons from a foreign country, without considering possible nuclear calamity, and to have threatened fellow countrymen with these nuclear weapons. Moreover, today when the solution to the issue is becoming ripe, if we fail to bring an end to such a grave situation, the crime for this will be indelible.

The South Korean authorities should willingly respond to our denuclearization proposal and, thus, resolve this urgent issue at the earliest possible date in conformity with the desire and expectation of all of our fellow countrymen.

Denuclearization Needs 'Practical Deeds' by U.S.

SK2012111391 Pyongyang KCNA in English 1017 GMT 20 Dec 91

["Denuclearisation of Korean Peninsula Is Matured Demand of Times"—KCNA headline]

[Text] Pyongyang December 20 (KCNA)—The denuclearisation of the Korean peninsula is raised as a matured demand of the trend of the times; it is a matter which should be settled preferentially.

NODONG SINMUN says this today in a by-lined article. Noting that the denuclearisation of the Korean peninsula is not only an important matter related to the survival of the Korean people but also a serious matter concerning peace and security in Asia, the paper says:

The "declaration on the denuclearisation of the Korean peninsula" which was put forward by the North at the fifth inter-Korean high-level talks some time ago contains all the articles which can practically guarantee the denuclearisation of the Korean peninsula including the provisions that the North and the South shall make joint efforts to get the U.S. nuclear weapons and troops deployed in South Korea withdrawn and its nuclear bases dismantled, jointly confirm the withdrawal of the U.S. nuclear weapons and the abolition of its nuclear bases and fulfill the obligation of simultaneous nuclear inspection as required by the international treaty.

This proposal is, indeed, a constructive and reasonable initiative which would help solve the nuclear problem on the Korean peninsula in a most fair way, deliver our nation from the threat of nuclear disaster and most strictly guarantee the denuclearisation of the Korean peninsula.

This clearly shows the consistent just stand and sincere efforts of the DPRK with regard to the question of the denuclearisation of the Korean peninsula.

The South Korean authorities who had kept silence about the denuclearisation of the Korean peninsula and even taken position against it expressed the willingness for denuclearisation, whatever their intention and purport might be.

Sharing our view that there should be no nuclear weapons on the Korean peninsula, the South side agreed to have contacts between delegates to negotiate the nuclear question. It entirely depends on the U.S. attitude whether the denuclearisation of the Korean peninsula is realised, or not.

Today the United States is no longer in a position to opppose or shun the denuclearisation of the Korean peninsula.

The source of the nuclear question in our country lies, by nature, in the deployment of U.S. nuclear weapons in South Korea and, accordingly, their withdrawal from

South Korea is the key to the solution of the nuclear problem, the problem of the denuclearisation of the Korean peninsula.

South Korea is the largest nuclear arsenal in Asia. More than 1,000 pieces of the U.S. nuclear weapons are deployed there, ready to be launched any time.

The most dangerous nuclear hotbed in the world can be removed and a nuclear war be prevented only when the Korean peninsula is turned into a nuclear-free zone.

If the United States truly wants peace on the Korean peninsula and in Asia and the rest of the world, it should show this by practical deeds for the denuclearisation of the peninsula.

Chondoist Party Chairman Stresses N-S Agreement

SK2012051791 Pyongyang KCNA in English
0419 GMT 20 Dec 91

[Text] Pyongyang December 20 (KCNA)—The South Korean authorities must not follow in the footsteps of their predecessors who reduced to a scrap of paper the July 4 joint statement made public by the North and South in the past, tailing behind outside forces, but show in practice their will for an independent reunification to the entire fellow countrymen by honestly implementing the provisions of the agreement.

Chong Sin-hyok, chairman of the Central Committee of the Chondoist Chongu Party, said this in a statement issued to the press Thursday regarding the adoption of the Agreement on Reconciliation, Nonaggression, Cooperation and Exchange between the North and South at the fifth inter-Korean high-level talks.

With the adoption of the inter-Korean agreement, he said, our nation now possesses a common programme whereby to reject the interference of outside forces, discard the conception and stance of confrontation of the past when the fellow countrymen were antagonistic and hostile to each other and lower the guns levelled at each other and achieve a joint prosperity of the nation.

It must be noted that the North and the South agreed at the talks to have contacts of delegates on the nuclear problem at a time when the U.S. imperialists and other outside forces were putting pressure of "forcible nuclear inspection" on us, gravely encroaching upon our sovereignty with a hue and cry over the fictitious "nuclear development" by the North. This is of great importance in realising the denuclearisation of the Korean peninsula, he said, and went on:

It is a precious fruition of the wise leadership of the respected leader President Kim Il-song and a good fruit borne by the independent policy of the DPRK Government for national reunification that a way was opened at the inter-Korean high-level talks for independently solving the questions of the reunification of the country and denuclearisation of the Korean peninsula by the efforts of the nation itself.

People of all walks of life in the North, the South and overseas who love the country and the nation and value their future destiny should wage an active struggle with united strength to lead to reunification the success of the agreement reached with much efforts, resolutely rejecting the policy of dependence on foreign forces and flunkeyism and giving the spirit of national independence into full play.

UN Secretary General Hails Korean Agreement

SK2012045591 Pyongyang KCNA in English
0414 GMT 20 Dec 91

[Text] Pyongyang December 20 (KCNA)—Perez de Cuellar, secretary- general of the United Nations, made public a statement at the U.N. Headquarters Wednesday hailing "Agreement on Reconciliation, Nonaggression, Cooperation and Exchange Between the North and the South" which was adopted at the inter-Korean high-level talks, according to a report.

He said that the North and the South would now recognize and respect the system existing on the other side, refrain from using armed forces against each other and conduct economic cooperation and exchange in various fields, expressing the hope that such a trend toward a peaceful solution between the two parts of Korea would be maintained.

Romanian Foreign Ministry Hails N-S Agreement

SK2012050291 Pyongyang KCNA in English
0417 GMT 20 Dec 91

[Text] Pyongyang December 20 (KCNA)—The spokesman of the Romanian Foreign Ministry at a press conference Wednesday hailed the adoption of "Agreement on Reconciliation, Nonaggression, Cooperation and Exchange Between the North and the South" at the fifth inter-Korean high-level talks, according to the ROMPRES News Agency.

He said that the agreement signifies an affirmative development of the inter-Korean relations and a practical precondition for the detente on the Korean peninsula.

The agreement indicates a basis of the process of detente, promotion of understanding, mutual trust and national reconciliation through principles and articles including military affairs, he said.

Arab Parties Support North's N-Weapons Position

SK2012104991 Pyongyang KCNA in English
1009 GMT 20 Dec 91

[Text] Pyongyang December 20 (KCNA)—We urge the United States to immediately accede to the just and logic demand of People's Korea set out in the statement of the DPRK Foreign Ministry dated November 25, 1991, for withdrawing its nuclear weapons from South Korea, guaranteeing the non-use of nuclear weapons against

People's Korea and, on this basis, making a simultaneous nuclear inspection of the North and the South of Korea.

Some 20 Arab and friendly political parties and national liberation movement organizations in the Middle East including the Communist Parties of Syria, Iraq, Saudi Arabia, Jordan and Lebanon, the Palestine Liberation Democratic Front, the Polisario Front, the Amal Movement of Lebanon, the Syrian National Socialist Party of Lebanon said this in a joint letter dated December 9 to the U.S. President condemning the U.S. pressure for a unilateral nuclear inspection of the DPRK.

The denuclearization of the Korean peninsula means, in essence, the withdrawal of the U.S. nuclear weapons from South Korea and the removal of the nuclear threat from the Korean peninsula, the letter said, and continued:

A nuclear inspection of People's Korea claimed by the United States is a matter to be solved between the International Atomic Energy Agency and People's Korea. It is not a matter which can be solved by U.S. interference.

Declaring more than once that it has neither intention nor capacity for nuclear development and it is, therefore, not opposed to nuclear inspection, the DPRK put forward a proposal for the denuclearization of the Korean peninsula and has maintained that a nuclear inspection should be made simultaneously of the North and the South after the United States withdrew its nuclear weapons from South Korea and removed the nuclear threat.

We consider that the responsibility for the delay of nuclear inspection of People's Korea rests with the United States which fails to discharge its legal obligation to protect non-nuclear states as the initiator of the Nuclear Non-Proliferation Treaty and refuses to accept the proposal of People's Korea for the withdrawal of nuclear weapons from South Korea and the removal of the nuclear threat to it.

African Officials Support North's Nuclear Stand

SK2012103191 Pyongyang KCNA in English 1001 GMT 20 Dec 91

[Text] Pyongyang December 20 (KCNA)—Foreign public figures fully support the stand of the DPRK Government concerning the problem of the signing of the nuclear safeguards accord.

Maurice Rakotobe, chairman of the Malagasy Solidarity Committee, when he was interviewed by the KCNA [Korean Central News Agency] correspondent in Antananarivo on December 11, fully supported the DPRK Government's proposal for the denuclearization of the Korean peninsula, saying it is a fair proposal to remove the nuclear danger and ensure peace and security on the Korean peninsula and the rest of Asia and consolidate world peace.

Hamid Mahmoud Wafi, former secretary of the Sudan-Korea Friendship Association, in a statement December 10 said the United States and the South Korean authorities must totally withdraw U.S. nuclear weapons from South Korea and take practical steps for the denuclearization of the Korean peninsula.

Dr. K. Amorti of Makerere University, Uganda, said in a statement December 10 that the removal of the nuclear threat on the Korean peninsula and its denuclearization entirely depend on the United States' withdrawal of its nuclear weapons from South Korea.

The United States must give up its foolish attempt to block the advance of socialism in the DPRK under the pretext of the fictitious "development of nuclear weapons" and begin the withdrawal of its nuclear weapons from South Korea at once.

Further on Visit by PLO Leader Yasir 'Arafat

Kim Il-song, 'Arafat Exchange Gifts

SK2012012591 Pyongyang Korean Central Broadcasting Network in Korean 1200 GMT 19 Dec 91

[Text] President Comrade Yasir 'Arafat gave a gift to the great leader Comrade Kim Il-song.

Comrade Yasir 'Arafat, president of the State of Palestine, chairman of the Executive Committee of the Palestine Liberation Organization [PLO], and commander-in-chief of the Palestinian Revolutionary Armed Forces, gave today a gift today to Comrade Kim Il-song, general secretary of the Central Committee of the Workers' Party of Korea [WPK] and president of the DPRK.

Present there were Samir Gush, member of the Executive Committee of the PLO; Hani al-Hasan, member of the Central Committee of the Palestine National Liberation Movement and advisor to the president in charge of political affairs; 'Imad Saqr, advisor to the president in charge of international affairs; 'Izzat Abu al-Rubb, member of the Revolutionary Council of the Palestine National Liberation Movement; Mustafa al-Safarini, ambassador extraordinary and plenipotentiary of Palestine to our country, and delegation members from the State of Palestine.

Present there also were Comrade Yi Chong-ok, member of the Political Bureau of the Central Committee of the WPK and vice president; Comrade Kim Yong-nam, member of the Political Bureau of the Central Committee of the WPK and vice premier of the Administration Council and foreign minister; Comrade Kang Hui-won, alternate member of the Political Bureau of the Central Committee of the WPK and vice premier of the

Administration Council; Kim Pok- yul, general of the Korean People's Army; and Choe Su-hon, vice foreign minister.

After receiving a gift, the great leader Comrade Kim Il-song expressed his thanks to him.

The great leader Comrade Kim Il-song gave a gift today to President Comrade Yasir 'Arafat. President Comrade Yasir 'Arafat, after receiving the gift, expressed his great thanks to him.

Kim Chong-il Presented Gift

SK2012013691 Pyongyang Korean Central Broadcasting Network in Korean 1200 GMT 19 Dec 91

[Text] President Comrade Yasir Arafat gave a gift to Comrade Kim Chong-il.

Comrade Yasir 'Arafat, president of the State of Palestine, chairman of the Executive Committee of the Palestine Liberation Organization and commander-in-chief of the Palestine Revolutionary Armed Forces, who is paying an official visit to our country, gave a gift today to Comrade Kim Chong-il, member of the Presidium of the Political Bureau of the Central Committee of the Workers' Party of Korea and secretary of the party Central Committee.

The gift from President Comrade Yasir 'Arafat to Comrade Kim Chong-il was delivered today to officials concerned.

Kim Il-song Receives 'Arafat

SK2012061891 Pyongyang KCNA in English 0504 GMT 20 Dec 91

[Text] Pyongyang December 19 [date as received] (KCNA)—Comrade Kim Il-song, general secretary of the Central Committee of the Workers' Party of Korea [WPK] and president of the Democratic People's Republic of Korea, today received Comrade Yasir 'Arafat, president of the State of Palestine, chairman of the Executive Committee of the Palestine Liberation Organization (PLO) and commander-in-chief of the Palestine Revolutionary Armed Forces, on an official visit to Korea.

Flags of Korea and palestine were hanging on the flagpoles.

President Kim Il-song exchanged warm greetings with President Yasir 'Arafat and hugged him.

A welcome function for President Yasir 'Arafat took place.

The band struck up the national anthems of the State of Palestine and the DPRK.

President Yasir 'Arafat in company with President Kim Il-song reviewed a guard of honour of the three services of the Korean People's Army.

Present at the welcome function were the members of the delegation of the State of Palestine Samir Gush, member of the executive committee of the PLO; Hani al-Hasan, member of the Central Committee of the Palestine National Liberation Movement (Fatah) and advisor to the president in charge of political affairs; 'Imad Saqr, advisor to the president in charge of international affairs; 'Izzat Abu al-Rubb, member of the Revolutionary Council of the Fatah; Palestine ambassador to Korea Mustafa al-Safarini, and the suite.

Yi Chong-ok, member of the Political Bureau of the C.C. [Central Committee], WPK and vice-president; Kim Yong-nam, Politburo member of the C.C., WPK, vice-premier of the Administration Council and foreign minister; Kang Hui-won, alternate politburo member of the C.C., WPK and vice-premier of the Administration Council, and other senior officials were also present.

Kim Il-song, 'Arafat Hold Talks

SK2012065191 Pyongyang KCNA in English 0519 GMT 20 Dec 91

[Text] Pyongyang December 19 [date as received] (KCNA)—Talks were held in Pyongyang today between Comrade Kim Il-song, general secretary of the Central Committee [C.C.] of the Workers' Party of Korea [WPK] and president of the Democratic People's Republic of Korea, and Comrade Yasir 'Arafat, president of the State of Palestine, chairman of the executive committee of the Paletine Liberation Organisation and commander-in-chief of the Palestine Revolutionary Armed Forces.

Present at the talks on our side were Yi Chong-ok, member of the Political Bureau of the WPK Central Committee and vice-president; Kim Yong-nam, member of the Political Bureau of the WPK Central Committee, vice-premier of the Administration Council [AC] and foreign minister; Kang Hui-won, alternate member of the Political Bureau of the C.C., WPK and vice-premier of the AC; General Kim Pong-yul of the Korean People's Army; and Choe Su-hon, vice-minister of foreign affairs.

Present on the opposite side were the members of the delegation of the State of Palestine Samir Gush, member of the executive committee of the PLO; Hani al-Hasan, member of the Central Committee of the Palestine National Liberation Movement (Fatah) and advisor to the president in charge of political affairs; 'Imad Saqr, advisor to the president in charge of international affairs; 'Izzat Abu al-Rubb, member of the Revolutionary Council of the Fatah; and Mustafa al-Safarini, Palestinian ambassador to Korea.

The talks took place in a sincere and friendly atmosphere.

Kim Il-song, 'Arafat Attend Banquet

SK2012063891 Pyongyang KCNA in English 0500 GMT 20 Dec 91

[Text] Pyongyang December 19 (KCNA)—Comrade Kim Il-song, general secretary of the Central Committee

of the Workers' Party of Korea [WPK] and president of the Democratic People's Republic of Korea, arranged a grand banquet at the Kumsusan Assembly Hall this evening in honor of Comrade Yasir 'Arafat president of the State of Palestine, chairman of the PLO Executive Committee and commander-in-chief of the Palestine Revolutionary Armed Forces, on an official visit to Korea.

When President Kim Il-song, together with Comrade Yasir 'Arafat, appeared in the banquet hall, the participants warmly welcomed them with loud applause.

President Kim Il-song made a speech at the banquet.

President Yasir 'Arafat spoke next.

Invited to the banquet were the members of the Palestinian state delegation and its suite.

Yi Chong-ok, Politburo member of the WPK Central Committee and vice-president; Kim Yong-nam, Politburo member of the WPK Central Committee, vice-premier of the Administration Council and minister of foreign affairs; and other senior officials were present.

The banquet proceeded in a cordial atmosphere overflowing with feelings of friendship.

Kim Il-song Toasts 'Militant Friendship'

CM2012155591 Pyongyang Korean Central Broadcasting Network in Korean 2100 GMT 19 Dec

[Report on a speech by DPRK President Kim Il-song given at a banquet for visiting PLO leader Yasir 'Araft in Pyongyang on 19 December]

[Text] Comrade Kim Il-song, general secretary of the Central Committee of the Workers' Party of Korea and president of the Democratic People's Republic of Korea, today arranged a banquet in honor of Comrade Yasir 'Arafat, president of the State of Palestine, chairman of the executive committee of the PLO and commander-in-chief of the Palestine Revolutionary Armed Forces, on an official visit to Korea, and made a speech. He said:

Respected Comrade President Yasir 'Arafat, guests from Palestine, comrades, and friends: I am very glad to share this occasion with Comrade President Yasir 'Arafat, our old friend and close brother, and warmly welcome you, Comrade President, and your entourage once again.

You, Comrade President, are visiting our country for the fifth time, despite your busy schedule in leading the Palestinian revolution. This shows that our intimacy is very exceptional, and that the friendship and solidarity between the Korean and Palestinian peoples formed along the path toward independence are unbreakable.

Today the international situation is complex and tense, but it is an immutable law of historical development that mankind advances towards a new independent world. In the course of progress of history there can be temporary hardships and vicissitudes but its main trend cannot change. The day will certainly come when the Palestinian people, who are following the current of an independent age, will achieve their long-cherished desire for national liberation and independence.

The Korean people extend full support and encouragement to the Palestinian people in their resolute, just struggle for national liberation and independence under the leadership of the PLO headed by Comrade Yasir 'Arafat.

The problem of the Middle East at present is one of the pressing issues to be solved quickly in the world political arena. If this problem is to be resolved fairly and peacefully the Israeli aggressors must withdraw from their occupied Arab lands and the legitimate national rights of the Palestinian people including the right to return to their country, the right to self-determination, and the right to establish an independent state in their territory should be regained.

We hope that the Middle East Peace Conference which is held amid the interests of the states concerned will be conducive to ensuring independence for the Palestinian people and settling the problem of the Middle East in a fair and reasonable way. As in the past, so in the future, our people will actively support the struggle of the Palestinian people, firmly standing by your side.

In spite of the complicated situation, our people are now making greater efforts, without the slightest vacillation, to display to the full the advantage of our own socialism centring on the masses of people, and to consummate the cause of socialism and realize the country's independent and peaceful reunification, full of revolutionary optimism and confidence, holding aloft the banner of the chuche idea. The recent 5th North-South high-level talks adopted a joint "Agreement on Reconciliation, Nonaggression, and Cooperation and Exchange Between the North and the South." This is the result of the consistent efforts of our party and the government of the Republic and a great progress made on the way to peace and reunification of the country. It opens up a bright prospect for bringing about the reunification, the national desire, in the 1990's.

We are pleased with the active support and encouragement the progressive people of the world, including the Palestinian people, have been rendering to the just cause of our people for socialist construction and national reunification.

I am satisfied with the fact that on this occasion you, Comrade President, and I have exchanged views on the international issues of our common concern, and on developing the friendly and cooperative relations between our two peoples, strengthening mutual understanding and trust still further.

On this significant occasion of meeting you, our close friend, again and on sharing the feelings of friendship, I propose a toast to the indestructible militant friendship and unity between the people of Korea and Palestine, to

the unity of the people of the world defending chajusong, to the long life and good health of the respected Comrade President Yasir 'Arafat, to the health of the guests from Palestine, and to the health of the comrades and friends who are present here.

'Arafat Lauds Relations at Banquet

CM2012162291 Pyongyang Korean Central Broadcasting Network in Korean 2100 GMT 20 Dec 91

[Report on speech by PLO leader Yasir 'Arafat at a banquet in Pyongyang on 19 December]

[Text] Comrade Yasir 'Arafat, president of the State of Palestine, chairman of the Executive Committee of the PLO and commander-in- chief of the Palestine Revolutionary Armed Forces, spoke today at the banquet arranged by Comrade Kim Il-song, general secretary of the Central Committee of the Workers' Party of Korea and president of the DPRK. He said:

Your Excellency Comrade DPRK President Kim Il-song, your excellency ministers, and close friends: I am happy to meet Comrade President as I and my brothers, the members of the delegation of the state of Palestine, are welcomed by the kind people of your country in Pyongyang, the beautiful capital of your country.

Many international events and changes which have taken place at an unprecedented speed on our planet have had an influence upon the world people, particularly upon our two peoples and the peoples of non-aligned countries.

In face of this, we have come to your country to exchange views and have discussions with you, comrades-in-arms standing in the same trench, in favor of our just cause.

That we are visiting the DPRK and meeting with you, Comrade President, is a clear token of the friendly and cooperative relations and unity based on comradeship between us.

In Pyongyang, an unconquerable bastion, we are feeling a high pride in the great, excellent achievements made by your people, chuche-guided and militant, in all fields under your dynamic and wise leadership.

These achievements have proved the solidness and might of the chuche-type, peculiar socialist system of Korean style.

Your friendly people united as one in mind and purpose behind Comrade President Kim Il-song and Comrade Kim Chong-il, the leader, are a powerful, creative and invincible force enough to counter all the challenges and moves of the imperialists. We are firmly convinced of this.

We, on behalf of the Palestinian people, fighters and revolutionaries, assure you of our support to and solidarity with you in your just struggle for the independent and peaceful reunification of the Korean peninsula.

We also resolutely support all the practical, constructive and bold peace proposals and initiatives made by you to establish the democratic confederal republic of Koryo through a confederacy based on one nation, one state, two systems and two governments.

We are now following the international and regional developments with deep concern.

We voice support and solidarity for your government's stand concerning the denuclearization of the Korean peninsula clarified in a statement of your Foreign Ministry.

We also highly appreciate your government's statement that it will sign the nuclear safeguards accord if the United States begins the withdrawal of nuclear weapons from South Korea, and an inspection is made simultaneously of the North and the South to verify the presence or absence of nuclear weapons on the Korean peninsula.

As you know, we are holding talks in the framework of the present peace process based on the exchange of the territory for peace, implementation of UN Resolutions Nos. 242 and 338, recognition of the national and political rights of our Palestinian people and guarantee of the security of all countries in this region.

Proceeding from the unshakable desire to free our people from the fetters of hateful Israeli occupation, alleviate their sufferings and realise the freedom and independence of our people including the right to found an independent state with sacred al-Quds [Jerusalem] as the capital, we took necessary steps for a success of the initiative taken by the United States.

The Palestinian initiatives reflecting our true desire to realize a fair peace in the Middle East are based on international legality and international law. Any of the international legalities must not be applied by dual standards but be consistent for achieving peace, security and stability based on justice and fairness.

Our decision to take part in the bilateral talks in Washington following the Madrid Middle East peace conference and a multilateral negotiation to be held late in January 1992 proves the validity and credibility of our line and shows our determination to promote the peace process.

The peace process, however, is facing the danger of being foiled and suspended because the Israeli Government is laying obstacles and putting a brake on the participation of the Palestinian delegation and on the overall peace process.

While intensifying the iron-rule politics for occupation, the Israeli Government is turning al-Quds Jewish, and trampling upon al-Quds and Islamic and Christian holy lands there and building settlements in the Palestinian territory. Such moves are leading our political efforts to a failure and, accordingly, such violations and criminal acts must be stopped.

Availing myself of this significant place, I declare to you our people's determination to continue to wage the struggle of justice and glorious uprisings under the leadership of the PLO in order to attain their national rights and aims including the right to return to their homeland, the right to self-determination, and the right to found an independent state with sacred al-Quds as the capital.

The support of you Comrade President and all the forces in the world which love freedom, justice and peace to our people's struggle is further hardening their determination to continue to wage the arduous struggle and this is bringing the day of victory nearer.

Respected and beloved Comrade President, dear comrades, and friends, in the name of the members of our delegation, my brothers, and my own name, we thank you for giving us warm hospitality and consideration with the friendly feeling of the people of your country.

Finally, I propose a toast to the militant unity between our two countries' people and revolutions; to the long life, good health, and happiness of the great leader Comrade Kim Il-song, our close friend; to the long life and good health of Comrade Kim Chong-il, the dear leader of the friendly Korean people; and to the health and happiness of the comrades and brothers who are present here.

Kim Il-song Thanked for Hospitality

SK2012102491 Pyongyang KCNA in English
0957 GMT 20 Dec 91

[Text] Pyongyang December 20 (KCNA)—Comrade Kim Il-song, general secretary of the Central Committee of the Workers' Party of Korea [WPK] and president of the Democratic People's Republic of Korea, today called on Comrade Yasir 'Arafat, president of the state of Palestine, chairman of the PLO Executive Committee and commander-in-chief of the Palestine Revolutionary Armed Forces, at the guest house.

He was accompanied by Yi Chong-ok, member of the Political Bureau of the WPK Central Committee and vice-president; Kim Yong-nam, member of the Political Bureau of the WPK Central Committee, vice-premier of the Administration Council and foreign minister; Kang Hui-won, alternate member of the Political Bureau of the WPK Central Committee and vice-premier of the Administration Council; General of the Korean People's Army Kim Pong-yul, and Choe Su-hon, vice-minister of foreign affairs.

He was met at the guest house by President Yasir 'Arafat and the members of the delegation of the state of Palestine.

President Kim Il-song had a cordial and friendly talk with President Yasir 'Arafat and exchanged greetings at parting.

President Yasir 'Arafat expressed deep thanks to President Kim Il-song for the warm hospitality accorded him during his visit to Korea.

'Arafat, Delegation Conclude Visit

SK2012043791 Pyongyang KCNA in English
0406 GMT 20 Dec 91

[Text] Pyongyang December 20 (KCNA)—The Palestinian state delegation led by Comrade Yasir 'Arafat, president of the State of Palestine, chairman of the PLO Executive Committee and commander- in-chief of the Palestinian Revolutionary Armed Forces, left here today by special plane after paying an official visit to Korea at the invitation of Comrade Kim Il-song, general secretary of the Central Committee [C.C.] of the Workers' Party of Korea [WPK] and president of the Democratic People's Republic of Korea.

Present at the airport were Yi Chong-ok, member of the Political Bureau of the C.C., WPK and vice-president of the DPRK; and other senior officials.

Palestinian Embassy officials and diplomatic envoys of different countries were also present at the airport.

A farewell function took place.

President Yasir 'Arafat, in company with Vice-president Yi Chong-ok, reviewed a guard of honor of the three services of the Korean People's Army.

Thousands of Pyongyang citizens saw off the guests with warm cheers, waving miniature flags of the two countries and bunches of flowers.

Anniversary of Taean Work System Marked 15 Dec

SK1512092391 Pyongyang KCNA in English
0820 GMT 15 Dec 91

[Excerpt] Pyongyang December 15 (KCNA)—A national meeting was held at the February 8 House of Culture today on the occasion of the 30th anniversary of the establishment of the great Taean work system.

Placed on the platform of the meeting hall was a portrait of the great leader President Kim Il-song.

Present at the meeting were Yi Chong-ok, member of the Political Bureau of the C.C. [Central Committee], the Workers' Party of Korea [WPK] and vice-president of the DPRK, and other party and government senior officials.

Yon Hyong-muk, member of the Political Bureau of the C.C., WPK and premier of the Administration Council, delivered a report at the meeting. [passage omitted]

Yon Hyong-muk Addresses Meeting

SK1812021391 Pyongyang Korean Central Broadcasting Network in Korean 0105 GMT 15 Dec 91

[Speech by Yon Hyong-muk, member of the Workers Party of Korea (WPK) Central Committee Political Bureau and premier of the Administration Council, at a central report meeting on the 30th anniversary of the establishment of the Taean work system at the 8 February Hall of Culture—live]

[Text] Comrades: Today, we are meaningfully marking the 30th anniversary of the establishment of the Taean work system in an emotional environment in which, at the party's call, all the counties across the country are scoring new revolutionary upsurges in socialist construction by accelerating the march of the nineties under the uplifted banner of chuche.

The great leader Comrade Kim Il-song established the Taean work system, a new socialist economic management system, 30 years ago, thus bringing revolutionary changes in the guidance and management of the socialist economy. [applause]

The establishment of the great Taean work system was a historic event that opened a new era in socialist economic management after overcoming the capitalist legacies in economic management. [applause]

The establishment of the Taean work system opened a wide road in the direction of most reasonably managing and running the socialist economy in compliance with socialism's innate nature, endlessly consolidating and developing the socialist economic system, and highly displaying its superiority. Under our party's leadership, our people have vigorously struggled to implement the Taean work system in all the fields of the people's economy since the Taean work system was established. As a result, they have brought about an epochal turn in economic management, won great victories and achievements in socialist economic construction, and incomparably consolidated our country's socialist system. [applause]

Historic experiences in socialist construction show that the Taean work system, which was established by the respected and beloved leader Comrade Kim Il-song and which has been further consolidated and developed under our party's leadership, is a genuine socialist economic management system that most thoroughly embodies socialist principles and is a revolutionary economic management system that maintains the socialist economic system and strengthens and develops it. [applause]

From their practical experiences in our country's socialist economic construction, our people have come to firmly believe that the great Taean work system is superior and mighty beyond comparison; they are also filled with a fervent ardor to score new upsurges in socialist economic construction and endlessly glorify the popular masses-centered socialism of our own style by more thoroughly implementing the Taean work system. [applause]

Comrades, socialist economic management is one of the important problems related to the destiny of socialist and communist construction. Socialism, which develops on a new basis after defeating capitalism, requires an economic management system and method suitable to its innate nature. If one cannot correctly solve the economic management problem in socialist society, one cannot display the superiority of the socialist economic system or even maintain the existence of the socialist system.

To correctly solve the socialist economic management problem, the popular masses must become real masters in economic management. In socialist society where the popular masses are the masters of state power and means of production, only when the popular masses become masters and fully play their role as masters in economic management can the economy be managed and run in compliance with socialism's innate nature and the superiority and might of the socialist economy be displayed fully.

Whether the popular masses become real masters in economic management is a fundamental problem in socialist economic management, and how this problem is solved determines the success in socialist economic construction and the destiny of the socialist system.

Under our party's wise leadership, the popular masses-centered economic management system and method, which makes it possible to fulfill the popular masses' independent demands and highly display their creativity, was established in our country. As a result, the socialist economic management problem was excellently solved in compliance with the revolutionary principles of the working class and the innate nature of the socialist system.

The great leader Comrade Kim Il-song established the Taean work system, thus opening a genuine road toward popular masses-centered economic management for the first time in history. [applause]

The Taean work system was established based on the great social and economic changes in our country and realistic demands for socialist construction.

The new environment promoted in the early 1960's called for fundamentally improving guidance on and the management of the people's economy. It was not possible to consolidate the socialist system and vigorously accelerate socialist economic construction without decisively improving guidance on and the management of the economy in compliance with the reality in which the socialist accounting method became solely dominant, in which the popular masses' revolutionary fervor grew at an unprecedented scale, and in which the overall technological improvement of the people's economy was under way. Deeply perceiving these urgent demands of

socialist construction, the great leader Comrade Kim Il-song went to the Taean Electric Machinery Plant in December 1961 and gave on-the-spot guidance for 10 days. Based on a comprehensive analysis of the conditions of the plant and the shortcomings of the existing work system, he created the Taean work system and thus successfully provided the original form of communist economic management which must be adhered to in the entire historical period of socialist and communist construction. [applause]

The Taean work system, which is the most superior system suitable to the innate nature of the socialist system, is a chuche-oriented economic management method by which the mass line is implemented under the collective guidance of party committees and by which the economy is managed and run scientifically and reasonably. [applause]

The great leader Comrade Kim Il-song has taught: The Taean work system is, in a word, the application of our party's revolutionary mass line to economic management.

The essence of the Taean work system is that it is a work system that implements the great chuche idea and the revolutionary mass line, which is based on the chuche idea. Based upon the principle of the chuche idea that the masters of revolution and construction are the popular masses and that the popular masses are the driving force of revolution and construction, the great leader Comrade Kim Il-song firmly maintained and brilliantly implemented the revolutionary mass line throughout the historic period when he led revolution and construction.

Considering people to be basic to socialist economic management, the respected and beloved leader Comrade Kim Il-song established a completely new economic management system and method that defends the popular masses' interests and heavily relies on their creativity.

The Taean work system is a man-centered and popular masses-centered economic management system that thoroughly implements the revolutionary mass line after abolishing all outdated ideas and existing rules on economic management. This is a basic characteristic of the Taean work system. This is also a source of the Taean work system's incomparable superiority and invincible might. [applause]

The essence of the Taean work system, a popular masses-centered chuche-oriented economic management system, is the collective guidance of party committees. Socialist and communist construction is unthinkable apart from the leadership of the working-class party. Likewise, the correct operation of the socialist economy is unthinkable apart from the party's leadership.

The party's leadership is a basic guarantee for managing the socialist economy in compliance with its nature by adhering to the revolutionary principles of the working class and implementing the mass line in economic management.

In establishing the Taean work system, the great leader Comrade Kim Il-song defined each unit's party committee as its highest guiding office and established a unique work system by which the party committee independently discusses and solves all the problems in economic management and by which party officials and administrative and economic officials organize and carry out political work and administrative and economic work.

The system of independent guidance by party committees, which was established by the great leader Comrade Kim Il-song, is a powerful work system that can most thoroughly establish the party's leadership. [applause]

We strengthened policy-based guidance and political guidance on economic work by establishing the system of collective guidance by party committees. In this way, we could strongly arm the officials and workers with our party's revolutionary ideas, strongly rally them around the party and the leader, and thoroughly defend and implement the party's economic policies.

The collective guidance of the party committee also made it possible to combine the political guidance and the economic and technological guidance organically, while firmly ensuring the predominance of political guidance in economic management, and to correctly establish the direction and method to execute the economic task brought forward based on the wisdom and creativity of the broad producing masses, eliminating the subjectivity and arbitrariness of the individual, and to vigorously organize and mobilize the masses to realize it.

The basic requirement in economic management is to implement the mass line to give priority to political work and for the upper level to help the lower level, and this can be successfully ensured only under the collective guidance of the party committee. The Taean work system makes it possible for the broad masses to be mobilized with self-awareness for the implementation of the economic task under the guidance of the party committee giving priority to political work and for the upper level to help the lower level in a responsible manner.

We ensured that the political work is given priority in economic management and that the upper level actively helps the lower level politically, ideologically, and with economic technology, as demanded by the Taean work system, so that the working people might work sincerely with objectivity and consciousness, firmly unified in mind and body, and closely cooperating with one another excellently manage and operate a socialist economy. [applause]

Truly, the party committee's collective guidance system, which consists of the basic core of the Taean work system, is the most powerful chuche work system that

enables the popular masses to actually exercise the right and fulfill the responsibility and role as the master of economic management, firmly ensuring the party's leadership for the economic work, thoroughly implementing the mass line, precisely realizing the demands and interest of the popular masses, and highly exalting the masses' creative ability. [applause]

With the establishment of the Taean work system, we were able to establish the most scientific and reasonable economic management system to correctly solve the problems of economic management in our country, further intensifying the planned management and technological guidance on socialist economy and conforming with the communist nature and transitional nature of socialist society.

Exalting the socialist planned economy is a fundamental problem in vigorously accelerating economic construction and protecting and adhering to socialist economic system. The superiority of the socialist planned economy can be highly exalted only when we establish the scientific work system for managing and operating economy in conformity with the demand for the planned and balanced development of the people's economy and correctly organize and mobilize the masses.

We correctly combined the party's unitary guidance and the state's centrally controlled guidance with the mass line in making plans and executing them as demanded by the Taean work system so that we could successfully solve the problem of planning arising in socialist economic management and firmly ensure the planned and balanced development of the people's economy.

At the same time, we established the work system for uniformly grasping and guiding science, technology, and production, so that we could closely combine science, technology, and production and boost production onto a high scientific and technological base, thereby rapidly developing the economy.

Correctly utilizing the economic laws and categories reflecting the transitional nature of socialist society in conformity with the collectivist nature of socialist society is important in correctly solving the problems of socialist economic management. In our country, the problem of reasonably organizing production and management utilizing the economic leverages reflecting the transitional nature of socialist society in an unbiased and correct manner was also excellently solved by the Taean work system.

The Taean work system viewed the working people's high revolutionary zeal and creativity as the basic driving force of socialist society. It enabled us to utilize various economic leverages by giving priority to the political work for continuously enhancing the working people's high revolutionary zeal and creativity so that the economic leverages could actively contribute to exalting the superiority of socialist economic system and ensuring the planned nature and effectiveness of production.

The establishment of the Taean work system, which is socialist economic management system of our own style, brought forth a revolutionary change in the realm of economic management and was a great and proud victory in our people's struggle for socialism and communism. [applause]

The Taean work system greatly vitalized the socialist economic construction and thoroughly demonstrated its rationale and superiority. As the Taean work system was comprehensively established and its might highly exalted, the economy of our country firmly advanced on the socialist road and made rapid, continuous progress.

Under our party's leadership, our people brilliantly built a mighty chuche industry based on the superiority of the socialist economic system of our country and the Taean work system, brilliantly realized the historical task of socialist industrialization in less than 14 years, and firmly solidified the material and technological base of socialism by successfully carrying out a series of grand prospective people's economic development plans with high targets of socialist economic construction.

Based on our party's grand plan, our people built unprecedented, great construction projects in the 1980's, further strengthened the country's economic might, and changed the appearance of the urban and rural areas. The numerous monumental creations which were built one after another in Pyongyang and all over the country clearly show the magnificent features of chuche Korea which is growing and prospering with each passing day in the era of the Workers Party of Korea [WPK], the inexhaustible economic potential of our country, and the superiority and might of the popular masses-centered socialism of our own style. [applause]

Since the establishment of the Taean work system, a change has been brought forth in the work method of the functionaries, the revolutionary zeal and creative activeness of the popular masses have been further enhanced, and the functionaries and working people have highly demonstrated the communist virtue of firmly uniting as comrades and helping and leading one another according to the collectivist principle of one for all and all for one.

The great Taean work system is a driving force which vigorously pushes forward the great socialist march and a powerful weapon which further strengthens the might of the socialist system of our country and continuously solidifies and develops it. [applause] The practical experience of the socialist economic construction of our country clearly shows that there is no other—nor can there be—economic management system better than the Taean work system, the popular masses-centered economic management system. [applause]

The imperialists and the reactionaries are now intensifying the antisocialist maneuvers more than ever, publicizing that the capitalist economic management method is an ideal management method with the greatest efficiency. But this is hypocrisy. The capitalist economic management method is an old management method of a

dying social system whose life was over long ago and on whom history has already passed judgment. No matter how one embellishes modern capitalism, one cannot hide the true features of a capitalist market economy which inevitably leads to competition, anarchy, repeated economic crises, recession, a handful of capitalists holding all of the wealth, and the unemployment and poverty of the majority of the working masses.

We should establish the Taean work system, the chuche economic management system, and highly exalt the superiority of the socialist economic management system of our country so that we may continuously and vigorously accelerate socialist economic construction without becoming unbalanced. While doing so, we can have great pride and self-respect in resolutely adhering and adding further luster to the socialism of our own style under the banner of the revolution opposing the antisocialist and anti-DPRK maneuvers of the imperialists and reactionaries. [applause]

In our country we have been able to brilliantly solve the problem of socialist economic management in conformity with the revolutionary principle of the working class and the nature of the socialist system and to attain proud success in socialist economic construction. This is totally attributable to the wise leadership of the great leader and our party. [applause]

Since his first day as leader of construction of the new society, the great leader Comrade Kim Il-song deeply heeded economic management, put forth outstanding ideology and theory and wise policy for the correct solution to the problems in economic management, and energetically led our people's struggle to implement them. After the liberation in 1945, the great leader Comrade Kim Il-song established an orderly system of economic guidance and management so that the state guidance could be strengthened in the people's economic sectors while ensuring that the state-owned economic sectors were managed and operated in a planned manner and their guiding role was enhanced in conformity with the prevailing condition in which various democratic reforms had been successfully realized in our country.

Because the great leader Comrade Kim Il-song correctly established the guidance and management system for the people's economy, the state's unified guidance for the people's economy was realized, the people's economy was rapidly rehabilitated and developed in conformity with the demands of the country and the people, and the magnificent march of building the new fatherland was vigorously accelerated during the peaceful construction period before the war.

In the postwar period, our task was to highly exalt the masses' revolutionary zeal and creativity and actively mobilize the hidden reserves and potential of the people's economy to vigorously accelerate the postwar rehabilitation and socialist construction. In the postwar industrial management, the respected and beloved leader Comrade Kim Il-song ensured that the party's leadership role was further enhanced, that the work method and work style were further improved so that guidance reached the lower echelon, and that political work was intensified among the working class, so that this difficult and bulky task was successfully realized. The people were aroused to the upswing of socialist construction and to the great Chollima march, opening a more resplendent future for our revolution and construction.

The great leader Comrade Kim Il-song created the Chongsan-ri spirit and Chongsan-ri method while pondering and studying many sleepless nights and days of ceaseless work and continuous on-the-spot guidance to further improve the guidance work for the revolution and construction in conformity with the prevailing demand. Thus, when the socialist system was established and socialist construction was comprehensively pushed ahead in our country, an epochal change occurred, improving the work system and work method in conformity with the new environment and establishing the socialist economic management system. [applause]

The Chongsan-ri spirit and Chongsan-ri method created by the great leader Comrade Kim Il-song is the communistic mass-guidance ideology and method that embodied our party's traditional revolutionary mass line in conformity with the reality of socialist construction. Through the struggle to implement the great Chongsan-ri spirit and Chonsan-ri method, the revolutionary work system and work method were established to successfully carry out the revolutionary task by giving guidance to the lower echelon, thereby making the upper level organization help the lower level organization; making the functionaries go deep among the masses, indoctrinating, remaking, and uniting people in all fields of socialist construction; and making the masses exert their revolutionary zeal and creativity.

The great leader Comrade Kim Il-song, while organizing and guiding socialist economic construction, generalized his abundant experience in economic management and scientifically elucidated the basic principles of socialist economic management. The great leader Comrade Kim Il-song made it clear that in socialist economic management the state's economic organization should carry out economic technological guidance under the party's political guidance, enhance the creativity of each unit by firmly ensuring the state's unified and planned guidance, democratically conduct unified command work, and properly mix political and moral stimuli with material stimulus while emphasizing the former.

The basic principles of socialist economic management elucidated by the great leader Comrade Kim Il-song make an outstanding ideology of socialist economic management which forms the basic framework of the popular masses-centered socialist economic management theory. It is an immortal guiding policy that enables us to adhere to the revolutionary principles of working class in economic management and to manage

and operate economy scientifically and reasonably in conformity with the nature of socialist system. [applause]

By consistently maintaining the Chongsan-ri spirit, Chongsan-ri method, and socialist economic management principle, the great leader Comrade Kim Il-song further deepened and developed the socialist economic management system and method in conformity with the advance of the socialist construction.

The great Taean work system the is brilliant embodiment of the Chongsan-ri spirit and Chongsan-ri method and a precious fruition of chuche-type socialist economic management idea and theory of the great leader Comrade Kim Il-song. [applause]

Following the creation of the Taean work system, the great leader Comrade Kim Il-song took active measures for all areas of the national economy to thoroughly implement this system.

The great leader Comrade Kim Il-song reflected the demand of the Taean work system in guidance and management of rural economic domain and created a new agricultural guidance system based on a management committee of cooperative farms in the county. He established a unique planning system which achieved unification and itemization of planning work and further intensified the discipline of democratic centralization in overall economic management. Thus, he saw to it that the planned development of our country's national economy was firmly ensured.

The great leader Comrade Kim Il-song put forward the wise policy for standardization and regularization of enterprise management so that the demand of the Taean work system is correctly realized. Thus, he enabled us to thoroughly implement the Taean work system and more highly demonstrate its superiority and might.

The respected leader Comrade Kim Il-song scientifically elucidated the basic principle of socialist economic management and established the Taean work system, the chuche-oriented socialist economic management system. Thus, he opened a broad road for socialist and communist economic management and created brilliant examples in socialist economic management. This is a great immortal contribution to the socialist and communist cause. [applause]

The might of Taean work system created by the great leader Comrade Kim Il-song has been more highly displayed by our party's energetic leadership. Our party resolved the problems arising in implementing the Taean work system and took timely, wise measures and policies so that economic management was further improved. Thus, our party brilliantly embodied the demand of the Taean work system.

By extensively systematizing, deepening, and developing the theory of popular mass-centered and chuche-oriented socialist economic management, our party safeguarded and implemented the Taean work system and saw to it that all theoretical and practical problems arising in improving the economic guidance and management were successfully solved.

Our party took active measures to firmly organize party committees so that the collective leadership system of the party committee is thoroughly established in management and operation of plants according to the demand of the Taean work system. Our party further strengthened political guidance over economic works. Our party encouraged party organizations to closely link the party work with economic work and to vigorously support the economic construction.

By firmly giving priority to political work in economic management and operation in accordance with deepening and developing socialist construction, our party led energetically so that boundless creative power of the producer masses was displayed more highly. Economic and technical work and administration and organizational work were thoroughly organized.

To standardize and regularize enterprise management according to the demand of the Taean work system, our party intensified the works to properly formulate economic management regulations and functions of work; to organize model plants in each domain of national economy and widely introduce their experiences; to systematically foster economic management functionaries in education and training institutes; and to further strengthen the re-education work.

The system of daily production and financial summation, created by our party's energetic leadership, is a unique enterprise management system of our own style which embodied the demand of the Taean work system. This system is demonstrating the great superiority in the economic management and operation. [applause]

The system of daily production and financial summation ensures that the producer masses carry out the daily production summation and economic summation by linking them to each work team as a basic unit, that production activities are collectively evaluated, and that management of enterprise is constantly improved based on creative opinions of the masses. This system enabled the producer masses to fulfill their responsibility and role as practical masters in enterprise management. This system also enabled all domains and units of the national economy to increase production, strengthen the struggle for conservation and frugality, and more excellently carry out the regularization of enterprise management.

In accordance with the Taean work system, our party properly carried out the independent economic accounting system and took important measures to improve the financing and pricing work. By doing so the

economic leverage was correctly utilized, thus making it possible to further rationalize production and management.

Our party's wise leadership fulfills the Taean work system and brilliantly resolves new theoretical and practical issues that are put forth in the socialist economic management. Therefore, our party's wise leadership has ensured that enterprise management methods running counter to the inherent nature of our country's socialist system cannot be permeated, that adherence to the revolutionary character of the Taean work system is possible, and that endless innovations and upsurges in socialist economic construction can be achieved. [applause]

The Taean work system is being wholly established in our country, its superiority and vitality is being highly manifested, and the economic management system and method of our own style is vigorously pushing the great socialist march. This is a brilliant victory in the chuche socialist economic management ideology and theory put forth by the respected and beloved leader Comrade Kim Il-song and a lofty fruition of our refined leadership in socialist economic management. [applause]

In this significant place where we are celebrating the 30th anniversary of the founding of the Taean work system, I send the greatest honor and warmest gratitude filled with the blazing loyalty of the whole nation and all the people to the great leader of our party and people Comrade Kim Il-song and the dear leader Comrade Kim Chong-il, who magnificently elucidated the future struggle on the road to achieve socialism and communism through the brilliant rays of the immortal chuche idea and wisely led our people toward the one road of victory. [applause]

Comrades, under the revolutionary banner of the chuche idea, our party and people are faced with the honorable task of wholly manifesting the superiority of the socialism of our own style centered on the popular masses and achieving in advance the complete victory in socialism by vigorously accelerating the socialist economic construction. To successfully fulfill this task, the Taean work system, which is a chuche-type economic management system of our party, must be continuously and firmly adhered to and thoroughly fulfilled in all sectors and units of the people's economy.

The great leader Comrade Kim Il-song has taught: Through practice, we must firmly adhere to the Taean work system, which clearly shows its justness and vitality, including the chuche economic management system and thoroughly fulfill this.

The struggle to fulfill the Taean work system is an important and responsible work to consistently adhere to and thoroughly advocate and fulfill our party's chuche-type line and policy in socialist construction. It also brings about new revolutionary upsurges in economic construction to highly manifest the superiority of the socialism of our own style and a worthwhile struggle in hastening the victory in the socialist cause. [applause]

In all sectors and units of the people's economy, under the leadership of our party, the results already achieved in the struggle to fulfill the Taean work system must be consolidated and must actively carry out the struggle to further highly manifest its superiority and vitality.

What is most important in fulfilling the Taean work system is to further strengthen the collective leadership of the party committee in economic management. The invincible might of the Taean work system most of all comes from the party's political guidance of the economic work.

In all sectors and units of the people's economy, important issues that arise in economic management are collectively discussed and resolved by the party committee. The responsibility and role of the economic guiding functionaries must be further enhanced, and the creative might and wisdom of the working people must be mobilized to the utmost.

In all plants and enterprises the manager, party secretary, and chief engineer who are the commanding members must become one and closely cooperate in a comradely way to fulfill the entrusted responsibility and role from their position.

To thoroughly fulfill the Taean work system and further improve the guidance and management of the socialist economy, the economic and technological work, and the administrative and organizational work must be carried out successfully.

In all economic organs and enterprises, unified and detailed planning must be thoroughly realized, the materials supply work and the cooperative production organization further improved, the labor organization and facility management correctly carried out, and production management carried out successfully.

Because today's socialist construction is being further advanced, the demand to quickly develop science and technology, enhance product's quality, and guarantee economic effectiveness at the highest level are being all the more enhanced.

The administrative and economic guidance functionaries in all sectors of the people's economy must firmly give priority to the development of science and technology, enhance the product's quality, and carry out with responsibility and initiation the economy's technological work and administrative and organizational work from the principle of guaranteeing economic effectiveness to the utmost.

Vigorously carrying out the struggle to regularize and standardize economic management is one of the important tasks in highly manifesting the superiority of the Taean work system.

In all sectors and units of the people's economy, enterprise management must be regularized and standardized; a strict and well-regulated system and order in management activities established; and the planning discipline, production discipline, and labor and administrative discipline further strengthened. Along with this, in all plants and enterprises the system for daily summation of production and finance, which showed its justness and superiority through practice, must be further intensified and developed. By doing so, the might of the popular enterprise management must be further highly manifested through the wisdom and initiation of the producer masses. [applause]

The superiority and vitality of the Taean work system must come from the practical result of the socialist economic construction. In all sectors of the people's economy, the Taean work system must be thoroughly fulfilled to improve economic guidance management so that production can be normalized at a high level.

We must give priority to the extraction industry, the electric power industry, and railway transportation which are leading sectors of the people's economy; put great efforts into the development of the metal industry to thoroughly carry out the light industry revolution; further develop the rural economy; and vigorously accelerate major construction projects such as the building of houses in Pyongyang for 50,000 households to bring about a new upsurge in production and construction. Therefore, the nation's economic might must be strengthened and the people's lives must be enhanced in an epoch-making way.

In all sectors and units of the people's economy, the revolutionary spirit of self-reliance and fortitude must be highly manifested so that the proposed economic tasks can be successfully carried out; inner reserves investigated and mobilized to the utmost by mobilizing the masses' wisdom and initiation; and the struggle to conserve more carried out so that it can be vigorously developed into an all masses' movement.

To bring about a new upsurge in socialist economic construction, the functionaries must thoroughly establish the revolutionary trait of fulfilling the party policy and further improve the work method and work style.

All the functionaries must bear in mind with firm faith the revolutionary slogan, "What the party decides, we will do," and highly manifest the spirit of absoluteness and unconditionality in the teachings of the great leader Comrade Kim Il-song and its embodiment which is party policy. Therefore, by thoroughly fulfilling this to the end, ceaseless innovations must be carried out in socialist economic construction. [applause]

The guiding functionaries of all sectors of the people's economy must go down to the lower echelon and make it a way of life and a habit to go to the producers and masses, share the joys and sorrows with them and teach and help lower functionaries, and vigorously organize and mobilize the masses into fulfilling party policy.

Our party's leadership is the life line of our revolution, and being endlesaly loyal to the party's leadership is the decisive guarantee in all of our victories. [applause]

We must, more than ever before, firmly unite around our party, which is the general staff of our revolution and the organizer and leader [hyangdoja] of all victories, to uphold with loyalty the party's leadership and bring about endless upsurges in socialist construction according to the one road as pointed out by the ever-victorious WPK. By doing so we must further vigorously display the chuche-type socialist economic management system and the superiority of the socialism of our own style centered on the popular masses. [applause]

There will be only victory and glory in our future road where we are vigorously accelerating the march to complete the socialist cause and the chuche revolutionary cause in accordance with the leadership of the great party by highly upholding the banner of the chuche idea. [applause]

Let us all firmly unite around the party Central Committee headed by the respected and beloved Comrade Kim Il-song; conquer a new high peak in socialist construction through the might of single hearted unity; and further vigorously accelerate the struggle to achieve in advance the cause of the reunification of the fatherland. [applause]

Long live Comrade Kim Il-song, the great leader of our party and people! [applause]

Long live the glorious WPK which is the organizer and leader [hyangdoja] of all the victories of the Korean people! [applause]

WPK Committee Congratulates Taean Workers

SK1912051291 Pyongyang Korean Central Broadcasting Network in Korean 2200 GMT 14 Dec 91

["Congratulatory message" from the Workers Party of Korea Central Committee to workers, technicians, office workers and three revolutions team members of Taean Heavy Machine Complex on the 30th anniversary of creation of Taean work system on 14 December—read by announcer]

[Text] To the workers, technicians, office workers, and three revolutions team members at the Taean Heavy Machine Complex:

On the occasion of the 30th anniversary of the creation of the great Taean work system, the Wokers Party of Korea [WPK] Central Committee extends its warm congratulations to all workers, technicians, office workers and three revolutions team members who achieved great success in implementing the new economic management system characterized by our own style by cherishing the lofty sense of loyalty to the party and leader.

Precisely resolving the economic management issue is a very important question for highly displaying the superiority and vitality of socialism after the socialist system was established and for accelerating socialist construction.

In December 1961, when the socialist system was comprehensively established in our country and socialist construction was being vigorously pushed ahead, the great leader Comrade Kim Il-song created the unique Taean work system which embodied the great chuche idea and the revolutionary mass line while giving on-the-spot guidance to the Taean Heavy Machine Plant. Thus, he pioneered a new road for the working popular masses to manage the economy as its master.

The Taean work system enabled plants and enterprises to carry out all management activities under the collective guidance of party committees, and inspired the producer masses to carry out the assigned economic tasks by giving priority to the political work. This system also enabled the upper echelon to help the lower echelon in a responsible manner, and ensured scientific and reasonable management and operation of the economy. Thus, this system is the most superior economic management system corresponding to the original nature of the socialist system.

The Taean work system is the chuche-oriented revolutionary economic management system which will finally remove the remnants of the outdated economic management method and which excellently embodies the collectivist principle, "One for all, all for one!"

The creation of the Taean work system was a historic event which opened a new era for communist enterprise management. With the creation of the Taean work system, the party's leadership over economic work was strengthened and enterprise management was firmly turned to focus on manpower. Thus, the producer masses could fully play the role of masters in economic management.

The realities in our country and practical experiences clearly proved that the Taean work system correctly combined political guidance over production with economic and technical guidance, and centralized guidance with the initiative of the masses. The Taean work system is the communist economic management system which strengthens the comradely unity and cooperation among economic organizations, enterprises and producers, and which manages and operates the economy based on the revolutionary zeal of producers. There is no better economic management system than the Taean work system.

Functionaries and the working class in the Taean Heavy Machine Complex took the initiative in realizing the new economic management system by cherishing a great pride and sense of honor in living and working in the original place of the great Taean work system.

Party organizations in the complex firmly established the new economic management system with firm unity between the upper and lower echelon by inspiring all party members and workers and demonstrated its superiority. Thus, they actively contributed to increasing the production of plant facilities, including power generation facilities, by 12 times during the past 30 years and to successfully ensuring the construction of major plant facilities.

By ensuring the collective nature of plant management and operation, the complex strengthened technical guidance over production and guided production in a comprehensive manner. The complex also effected a turning point in enhancing the role of production guaranteeting sectors, and of functionaries.

In the course of the worthwhile struggle to carry out the Taean work system, the complex has been developed into a large-scale base equipped with modern facilities that produce plant facilities. The ideological and spiritual traits of the people and their work style have changed. As a result, all people have been firmly consolidated as a revolutionary group who carry out the tasks, assigned by the party in the spirit of absoluteness and unconditionality and in single-hearted unity around the party and the leader.

The WPK Central Committee highly evaluates that the workers, technicians, and officials of the Taean Heavy Machine Complex have effected great labor exploits by resolutely safeguarding and implementing the Taean work system.

The great leader Comrade Kim Il-song has taught: To effect a new turn in managing and operating plants, the Taean work system should be thoroughly implemented.

The party members and working people at the Taean Heavy Machine Complex should thoroughly implement the Taean work system in keeping with the demand of reality development. Thereby, they should further glorify the achievements of the party and the leader.

Today, while the U.S. imperialists and reactionaries are running wild to kick up maneuvers against socialism, the Taean working class and functionaries should thoroughly arm themselves with our party's chuche idea; should regard the Korean-nation-first spirit as a conviction; should entirely entrust the party with their fate, come what may; and should be genuine loyalists and dutiful children who devote everything to fighting for the victory of our party's cause—the chuche-oriented revolutionary cause.

Only when the party deeply guides the low echelons, can the might of the Taean work system materialize. The party organizations of the Taean Heavy Machine Complex, firmly adhering to the party's line and policy, should collectively discuss and resolve all issues arising in managing enterprises. They should enhance the responsibility and role of managing functionaries and technicians, by firmly giving priority to political work. In addition, they should guarantee that managing functionaries and technicians successfully carry out assigned

economic tasks by bringing into full play the unfathomable creativity of producers.

Economic managing functionaries should make efforts to acquire the scientific and technological knowledge to properly manage and operate enterprises; should improve planning work; should organize facility management, equipment management, labor management, and finance management; should concretely grasp a specific condition; and should resolve issues at the proper time. By so doing, they should normalize production at a high level; should without fail carry out the plan by the day, by the month, and by the quarter; and should guarantee the quality of goods at the highest level.

Regularizing and standardizing enterprise management are an important demand for thoroughly carrying out the Taean work system. The Taean Heavy Machine Complex should more properly make regulations for enterprise management; should lead all functionaries to work according to the regulations; should lead them to set an example for others; and generalize the example. By so doing, they should make positive efforts to make enterprise management scientific and reasonable.

The party members and the working people of the complex, upholding the slogan, "What the party decides, we will do," should display the masses-oriented heroism in the struggle to carry out the party's policy. The high echelon, the low echelons, and producers should teach each other. They should also help each other and unite in a comradely way. In addition, they should struggle together and go forward to further bring into full play the superiority and vitality of the Taean work system.

The enormous construction work, which is currently being carried out in our country, provides a heavy and enormous task to the Taean Heavy Machine Complex.

All functionaries and employees of the Taean Heavy Machine Complex should utilize production capabilities to the utmost and vigorously struggle to guarantee the quality of all machines and facilities at the highest level. Thereby, they will guarantee that various power facilities of much better quality—including large-scale hydroelectric and thermal power stations—are produced. They should brilliantly carry out the task assigned by the party.

The WPK Central Committee firmly believes that, upholding the party's leadership, the workers, technicians, officials, and members of the three revolution teams of the Taean Heavy Machine Complex will brilliantly reward the party's high confidence and expectation by playing the role of forerunners in carrying out the Taean work system and by effecting more success in carrying out revolutionary works.

The WPK Central Committee, 14 December, 1991

KCNA Reviews 20 Dec Pyongyang Press

SK2012052591 Pyongyang KCNA in English 0436 GMT 20 Dec 91

[Press Review]

[Text] Pyongyang December 20 (KCNA)—Papers here today carry a photo-accompanied report that Comrade Kim Il-song, general secretary of the Central Committee of the Workers' Party of Korea [WPK] and president of the Democratic People's Republic of Korea, received Comrade Yasir 'Arafat, president of the State of Palestine, chairman of the Executive Committee of the Palestine Liberation Organisation and commander-in-chief of the Palestine Revolutionary Armed Forces, on an official visit to Korea.

They also carry photo-illustrated news that talks were held between President Kim Il-song and President Yasir Arafat and President Kim Il-song was presented with a gift by President Yasir 'Arafat, together with an account of the arrival of the Palestinian State Delegation led by Yasir 'Arafat in Pyongyang.

Given in the press is an account of a grand banquet arranged by President Kim Il-song in honour of President Yasir 'Arafat and speeches made by President Kim Il-song and President Yasir 'Arafat at the banquet.

The press informs the readers that President Yasir 'Arafat presented a gift to the dear leader Comrade Kim Chong-il.

Appearing in the press is news that a rally was held in South Hamgyong Province to carry through the on-the-spot instructions of the great leader President Kim Il-song.

NODONG SINMUN prints a message of greetings sent by the Central Committee of the Workers' Party of Korea to the 58th national convention of the Social-Democratic Party of Japan.

Thanks of the Central Committee of the WPK was sent to model rural agitators in Kumya County, South Hamgyong Province, say papers.

The press reports that the supreme leader of the Nepali congress met the Korean ambassador to his country and an agreement on cultural cooperation was signed between the DPRK Ministry of Culture and Art and the Ministry of Culture of the Russian Federation.

The press carries a statement issued by Chong Sin-hyok, chairman of the Central Committee of the Chondoist Chongu Party, on the adoption of "agreement on reconciliation, nonaggression, cooperation and exchange between the North and the South" and conveys home and foreign public voices welcoming this agreement.

It is reported in the press that a meeting was held in Pyongyang to welcome Choe Hui-chang, a crewman of Chogwang shipping company of South Korea who came over to the northern half of Korea.

Papers carry an account of a meeting of the Arab and friendly political parties and organisations of national liberation movement in the Middle East region. Also printed there are a statement published by those parties and organizations in denunciation of the U.S. imperialists' clamor for unilateral nuclear inspection of the DPRK and their letter to the U.S. president. NODONG SINMUN reports that China is accelerating the development of the national economy with science and technology and Cuba is hastening the construction of hydroelectric power stations.

International news page of the paper includes the reports that students of Latin American countries denounced the anti-Cuba blockade policy and news of the struggle of Palestinians against Israel. "Denuclearization of Korean Peninsula Is Urgent Task That Brooks No Delay" is the title of an article of the paper.

South Korea

PRC Signs Joint Pact for Mutual MFN Status

SK2012093791 Seoul YONHAP in English 0914 GMT 20 Dec 91

[Text] Seoul, Dec. 20 (YONHAP)—South Korea and China initialed a trade agreement Friday, conferring most-favored nation [MFN] status on each other and abolishing China's discriminatory tariffs on Korean products.

The agreement goes into effect next month, after No Chae-won, head of the Korean trade representative in Beijing, and Zheng Hongye, chairman of the Chinese Chamber of International Commerce (CCOIC), officially sign it.

The Seoul and Beijing governments will exchange guarantees to fulfill the terms of the agreement at the time of signing.

The nine-article agreement grants MFN treatment in tariffs and import-export procedures. It abolishes 5-30 percent taxes China puts on Korean products and eases customs procedures.

Merchandise and test samples are fully exempted from duties, according to the agreement.

Korea had hoped to initial an investment guarantee agreement as well, but agreed to hold off for further negotiations. The investment guarantee pact will need two or more discussion sessions, ministry officials said.

The next session is scheduled in Beijing early next year.

The accord came at the end of a three-day talks at the Foreign Ministry from Wednesday [18 December].

Kim suk-woo, director-general of the Ministry's Asian Affairs Bureau, headed the Korean team and Xie Jianqun, vice chairman of CCOIC, was his Chinese counterpart.

Kim and Xie initialed the pact, but the parties to the agreement are designated as the Korea Trade Promotion Corp. (KOTRA) for the Korean side and CCOIC for China, apparently to tone down the government roles in the agreement.

Seoul and Beijing are yet to establish diplomatic relations.

The two countries will hold annual trade talks under the agreement, which is effective for three years and automatically renewed every year.

China's discriminatory tariffs tipped bilateral trade in Beijing's favor. Korea's trade deficit with China between 1989 and September this year was 1.8 billion U.S. dollars—6.42 billion dollars of imports and 4.65 billion dollars in exports.

With abolition of the tariffs, exports to Beijing are expected to increase about 15 percent, Ministry officials said.

Negotiation on an investment guarantee pact was snagged by Korea's demands that China give the same treatment to its investors as local firms.

Officials said they will speed up the negotiations and try to conclude an agreement on avoidance of double taxation.

Chong Won-sik Tells North of Differing Agenda

SK2012092091 Seoul YONHAP in English 0907 GMT 20 Dec 91

[Text] Seoul, Dec. 20 (YONHAP)—South Korea told North Korea Friday that its stated agenda for talks on nuclear problems differs from that agreed in Seoul last week.

"I'd like to point out that your remarks in a recent message that we have agreed to hold delegates talk to discuss 'nuclear-free zone issue' is different from what we have agreed," South Korean Prime Minister Chong Won-sik said in a telephone message to his northern counterpart, Yon Hyong-muk.

Chong said he was sending delegates to the truce village of Panmunjom on Dec. 26 to discuss "nuclear problems."

Creating a nuclear-free zone on the Korean peninsula was Pyongyang's idea, while Seoul maintained there should be no nuclear weapons on the peninsula.

South Korean President No Tae-u declared Wednesday [18 December] that there was not a single nuclear weapon in the southern part of the peninsula and urged North Korea to halt nuclear arms development and open its nuclear facilities to outside inspection.

Chong also notified Yon of the names of the five South Korean delegates to the meeting. They are Yim Tong-won, dean of the Institute of Foreign Affairs and National Security, Yi Tong-pok, special adviser to the prime minister, and three nuclear specialists.

Informs North of Delegation Members

SK2012055291 Seoul KBS-1 Radio Network in Korean 0500 GMT 20 Dec 91

[Text] Prime Minister Choong Won-sik telephoned North Korean Premier Yon Hyong-muk today and told him of the composition of our side's delegation, who will participate in the meeting between delegates from the North and South on the nuclear issue, which will be held on 26 December at Tongilgak, the North side's area of Panmunjom.

Our side's delegation is composed of Yim Tong-won and Yi Tong-Pok, two delegates of the North-South high-level talks; Kim Tae-sop, secretary to the president for Foreign and National Security Affairs; Pan Ki-mun, director-general of the American Affairs Bureau in the Ministry of Foreign Affairs; and Pak Yong-ok, arms control officer in the Defense Ministry.

No Tae-u on Nuclear Inspections, Joint-Ties

SK2012064291 Seoul YONHAP in English 0613 GMT 20 Dec 91

[Interview with President No Tae-u by YONHAP News Agency in Seoul on 20 December]

[Text] Seoul, Dec. 20 (OANA-YONHAP)—South and North Korea could solve their nuclear problem and fulfill their agreement to improve relations now that South Korea was nuclear-free, President No Tae-u said in an interview Friday.

If North Korea did not open its nuclear facilities to outside inspection, however, the International Atomic Energy Agency (IAEA) and the U.N. Security Council might decide to conduct a forcible inspection, he said.

No also made it clear in the interview, held to mark YONHAP NEWS AGENCY's 11th anniversary, that he was opposed to the premature emergence of a candidate for his party's presidential nomination before next year's general elections.

His declaration Wednesday that South Korea was free of nuclear weapons had completely removed any excuse for North Korea to refuse outside inspection, No said.

"We are now able to solve the nuclear issue and fulfill the inter-Korean agreement," he said, referring to the pact on reconciliation, non-aggression, exchanges and cooperation signed by the South and North Korean prime ministers last week.

"But if North Korea does not take commensurate measures, the United States, Japan and the European Community will increase their pressure, and the IAEA and U.N. Security Council will seriously seek countermeasures," No warned.

He said he was optimistic that North Korea would show strong intent to improve relations with South Korea.

"North Korea has lost supporters such as the Soviet Union and the East bloc, and without progress in inter-Korean relations it cannot ask for help from the United States or Japan," he said.

"An agreement was signed between South and North Korea, and as nuclear negotiations progress, an inter-Korean summit can be realized at a faster pace than expected," he told YONHAP.

During the coming visits of U.S. President George Bush and Japanese Prime Minister Kiichi Miyazawa, No said, trade would be the chief topic.

Seoul was hoping for greater exchange and cooperation with Washington in science and technology, and Bush's visit would be an opportunity to discuss this, he said. The Korea-Japan trade imbalance in favor of Tokyo is causing deep concern and technological cooperation is not making progress.

"These problems are basically for the private sectors of the two countries to solve, but in order to work on forward-looking relations, both governments need to take a cooperative position from a broader perspective," No said.

The president called on Japan to be careful not to cause "unnecessary concern" in neighboring countries about dispatch of its Self-defense Forces to join U.N. Peace-keeping operations.

"We especially hope that Japan will take on a greater international role economically," he said.

Turning to domestic issues, the chief executive made it clear that he would not even talk about his party's candidate for president before the general elections next spring.

"It is undesirable to discuss presidential candidacy with 15 months remaining in my term. Discussing it now would only deepen social confusion and political instability," No said.

"The time and process for nominating a candidate is spelled out in the party's constitution. The Democratic Liberal Party need only follow its constitution," he said.

"Morality" was the critical quality in choosing people to run under the ruling party banner in the general elections, he said.

"We should not overlook the fact that immoral acts by some lawmakers are discrediting the entire political forum," he said.

No emphasized long-term rather than short-term plans to raise the country out of its economic slump and attributed the problem to the basic structure of the economy.

The country needed to build a strong basis for economic growth, he said.

"This is why most of the economic ministers were retained in (Thursday's) cabinet reshuffle," No said.

No said he would concentrate on finishing what he started rather than starting something new in his last year in office.

"I will focus foremost on holding the elections smoothly," he said.

Temporary Measure Requires Visas for Filipinos

SK2012012391 Seoul YONHAP in English 0044 GMT 20 Dec 91

[Text] Seoul, Dec. 20 (YONHAP)—Filipinos will be temporarily barred from entering South Korea without visas from Jan. 1, the Foreign Ministry said Friday.

The Philippine Government recently requested that Korea refuse entry to any of its nationals traveling without a visa because of a surge in illegal employment of Filipinos here.

South Korean citizens will still be allowed to visit the Philippines without a visa for stays of up to 21 days.

U.S., Australia To Join Petroleum Project

SK2012034291 Seoul YONHAP in English 0303 GMT 20 Dec 91

[Text] Seoul, Dec. 20 (YONHAP)—Korea Petroleum Development Corp. [Pedco] said Friday it would begin a six-year project to prospect for oil in the Timor Sea next year in a joint venture with six South Korean partners, Marathon of the United States and Santos of Australia.

The consortium and the Australia-Indonesia joint committee signed a production-sharing contract Thursday in Jakarta on prospecting in "Zoca 91-10" and "Zoca 91-11" (2,690 square kilometers and 2,354 square kilometers, respectively). The other Korean consortium members are Hyundai, Daewoo, Lucky-Goldstar, Kyungin Energy, Tae-sung industries and Majuko trading.

The project will be capitalized at 85.96 million U.S. dollars, with the Korean partners contributing either 15.65 million dollars or 18.2 percent, a Pedco official said.

Marathon will have 50 percent and santos and the Korean partners 25 percent each in Zoca 91-10, compared with 70 percent for marathon and 15 percent each for Santos and the Korean partners in Zoca 91-11. Exploitable oil reserves are estimated at 170 million barrels and 350 million barrels, respectively.

Capital Increases in Foreign Banks Approved

SK2012073391 Seoul YONHAP in English 0631 GMT 20 Dec 91

[Text] Seoul, Dec. 20 (YONHAP)—The Korean Monetary Board Thursday approved capital increases of 78 billion won for 11 foreign banks operating in Korea.

The hike in capital tied to the lending limit and certificates of deposit enables the banks to expand their lending services.

The increases include 10 billion won for Chase Manhattan, 15 billion won for Bankers Trust Co. and 8 billion won for American Express Bank.

Among the 11 are four from Japan—Bank of Tokyo (5 billion won), Tokai Bank (3.5 billion won), Daiwa Bank (5 billion won) and Yamaguchi Bank's Pusan branch (3 billion won).

Banque Paribas and Societe Generale of France got 6 billion won and 10 billion won, respectively.

Westpac Banking Corp. of Australia (7.5 billion won) and a Jordan-controlled Arab bank (5 billion won) completed the 11.

The capital increase, the largest ever, brings total loan-tied capital for the 70 foreign banks here to 472 billion won.

Their market share in Korea, currently about 5.34 percent on the basis of total capital, will accordingly edge up about 0.1 percentage point, according to the office of bank supervision.

Government To Set Up Technology Research Fund

SK2012005691 Seoul THE KOREA HERALD in English 20 Dec 91 p 6

[Text] The government, in an efforts to promote science and technology in Korea, will raise 1 trillion won for R & D [research and development] by the year 1996.

It will also expand financial supports and taxational favors for private firms engaging in technological development.

Deputy Prime Minister Choe Kak-kyu and Science and Technology Minister Kim Chin-hyon reported these and other measures yesterday to President No Tae-u in a meeting at Chongwadae attended by some 200 representatives of industrial, academic and research circles.

"Korea's science and technology investment has grown 28 percent annually on the average during the past 10 years, upping the share of investment in the gross national product to 2.12 percent from 1 percent, but it still lags far behind advanced nations," Choe said.

Choe, concurrently minister of economic planning, added that the government decided to set up a science and technology promotion fund rather than a new science and technology tax or a special account.

To help accelerate investment in R & D, the government will expand and reorganize the existing Korea Technology Development Co. into the tentatively named Korea Comprehensive Technology Financing Co.

With the fund, the government intends to support private firms or state-financed research institutes in developing key technologies or strategic projects.

Choe said the share of the research and development investment in national defense will increase from this year's 3 percent to 7 percent by the early 2000s.

He also said all government-invested firms will have to invest or subscribe a certain rate of their sales to technological development projects. Currently only three of 23 government-invested firms, including Korea Telecom, are subject to the obligatory system.

The science and technology minister said that the nation's science and technology investment will be upgraded to 5 percent of the GNP by 2001 and research manpower will be expanded to 160,000.

"The visible result will begin to come out in five to six years and the government will do its utmost to make a drastic advancement in technology development in certain sectors, thereby enhancing their status of technology to the level of the world's seven industrialized countries by 2000," Kim said.

The minister said that the government will push ahead with its plan to develop 919 technologies as scheduled in a way to sharpen manufacturing competitiveness, while supporting 14 key technology development projects, called G7, which were selected by ministries concerned.

Kim said the government plans to develop high-definition television sets by 1994 and electric cars by 1996.

Opposition Politicians Granted Special Pardons

SK2012003691 Seoul THE KOREA TIMES in English 20 Dec 91 p 3

[Text] Five opposition politicians, now in jail for violating the National Security Law, were yesterday granted special pardons and had their civil rights reinstated.

Among them are Yi Chae-o, 46, secretary general of the splinter Minjung (People's) Party, and the party's two other officials, the Justice Ministry said.

The amnesty was given in line with President No Tae-u's promise to the minor opposition party leaders in mid-November of clemency for dissidents and progressive politicians, the ministry officials said.

The Minjung is the newly-formed party which consists of prominent dissidents and reform-seeking activists who departed from the nation's largest dissent alliance, Chonminnyon.

It virtually gave up leftism ideology to make a debut in the nation's conservative political arena.

Besides the three Minjung officials, there are Kim Yong-nae, 39, an aide to former lawmaker So Kyong-won, and Yi Kil-chae, chief of the external affairs of the Democratic Party.

Kim and Yi were serving time for breaking the security law in connection with the case of So Kyong-won who was convicted and sentenced to 10 years in jail for his unauthorized visit to Pyongyang in 1988.

In the meantime, the ministry said an additional 1,138 adult prisoners and 105 juvenile delinquents will be released on Christmas Eve. They include seven convicted of violating public security- related laws and six lifers.

Inmates showing repentance and having completed 60 percent of their jail terms were subject to parole.

However, those who challenged authority, sold drugs or committed a heinous crime were excluded from the amnesty, it added.

Rival Parties Blame One Another for Violence

SK2012003191 Seoul THE KOREA HERALD in English 20 Dec 91 p 2

[Text] The rival parties yesterday traded charges regarding violence in the national Assembly Wednesday, the last day of the three-month regular session of the 13th Assembly.

Ruling Democratic Liberal Party [DLP] spokesman Pak Hui-tae denounced the opposition's alleged manhandling of Assembly Speaker Pak Chun-kyu. "Opposition lawmakers tainted the sacred Assembly halls with violence by confining, insulting and assailing the speaker."

"It is an unbelievable act of violence in a country which advocates parliamentary democracy, that outside of the Assembly, aides of opposition lawmakers and their drivers joined to attack the speaker," Pak said.

The spokesman said his party will refer those lawmakers implicated in the violence to the National Assembly Ethics Committee. The ruling party will also seek legal action against those involved in the alleged assault on the speaker outside of the Assembly, the spokesman.

Speaker Pak, humiliated by the controversy surrounding him, expressed his intention to resign.

Pak Chun-kyu, also a member of the DLP, was in the center of the melee when he, surrounded by ruling party lawmakers and using a wireless microphone, announced three controversial bills passed minutes before midnight Wednesday. With his biltzkrieg announcement which took less than 20 seconds, there was a rock'em, sock'em fracas between angry opposition lawmakers and defending ruling party legislators.

Meanwhile, the opposition Democratic Party [DP] lawmakers declared the passage of those bills "null and void." They decided to hold outdoor rallies to protest the unilateral passage.

"Our party is going to start an antigovernment campaign along with several million farmers from today," said party spokesman No Mu-hyon.

In a resolution adopted in a caucus of lawmakers, the party vowed to launch a campaign to abolish the controversial Cheju development plan worked out by the government.

Party co-leaders Kim Tae-chung and Yi Ki-taek will visit the island soon to attend the campaign, the spokesman said.

The opposition lawmakers demanded that the government break up a quasi-governmental organization to promote a "righteous life" campaign immediately, insisting that would work for ruling party candidates in national elections.

They also decided to file a complaint against Choe Hyong-u, a ruling DLP lawmaker and first state minister for political affairs, for assaulting Yi Chol, a DP lawmaker, during the melee in the Assembly.

They claimed that minister Choe, a close aide to Kim Yong-sam, executive chairman of the ruling DLP, pushed and trampled Rep. Yi.

Yi has reportedly been hospitalized.

Burma

General Saw Maung Reported Ill 'For Many Weeks'

BK2012093391 London BBC in Burmese to Burma 1345 GMT 19 Dec 91

[Text] According to reports from Rangoon, Senior General Saw Maung, leader of the Burmese military government, is suffering from mental illness and has been unable to perform his duties for many weeks.

According to foreign residents in Rangoon, Sr. Gen. Saw Maung, who is now 63, had become very violent and received a self-inflicted wound that required hospitalization. The BBC correspondent in Bangkok, however, said most people believe that the real power remains in the hands of the one-time strongman, General Ne Win, who is still effectively in control of the affairs of the country.

It was reported that Gen. Ne Win summoned military leaders last week and reportedly berated them for over two hours following the student demonstrations demanding the release of the Nobel laureate, Daw Aung San Suu Kyi.

'Sources' on Possible Replacement

BK2012064591 Hong Kong AFP in English 0628 GMT 20 Dec 91

[by Erskine McCullogh]

[Text] Bangkok Dec 20 (AFP)—The mental state of Burmese junta head General Saw Maung has so deteriorated that he may soon have to be replaced, according to intelligence reports from Rangoon.

Sources say the 63-year-old general suffered a nervous breakdown at the beginning of the month at his home in the military headquarters compound and had to be rushed to hospital after his wife phoned for help.

Saw Maung was detained for several days and had to cancel a planned meeting with Phillipine Foreign Minister Raul Manglapus. The official reason given was that the junta head was recovering from surgery to remove a boil.

"It looks as if Saw Maung may have cracked under the pressure - the condemnation of the regime by the United Nations, the attacks by pro-democracy dissidents in the country's delta region, the Nobel Peace Prize award to Aung San Suu Kyi - all of it arriving at about the same time. It was simply too much for him to handle," said one source.

There have been growing fears over Saw Maung's mental state for some time following a series of incoherent, rambling speeches he made earlier this year.

Observers have noted that his latest appearances in public have been strictly limited.

His physical appearance is also reported to have declined during the past year, adding to speculation over how long he can remain as the official head of the regime.

"It is like he is being wheeled out and quickly wheeled away again just to show that he is still there," said one Rangoon resident this week.

Saw Maung has been photographed several times in public since his release from hospital but his carefully controled outings have done little to dampen the fears for his health.

But even if Saw Maung is replaced, most likely by junta deputy head Than Shwe, political analysts in Rangoon doubt there will be any dramatic changes in policy in the near future.

Former strongman Ne Win is still believed to rule the country despite official claims that he gave up all vestiges of power when the State Law and Order Restoration Council (SLORC) grabbed power in 1988.

And junta member Khin Nyunt, who was picked by Ne Win to run the country's military intelligence, is considered to be the most powerful member of the regime despite the fact that Saw Maung is officially number one.

Japanese Deputy Minister Pays Working Visit

BK1912151391 Rangoon Radio Burma in Burmese 1330 GMT 19 Dec 91

[Text] Rear Admiral Maung Maung Khin, member of the State Law and Order Restoration Council [SLORC] of the Union of Myanmar [Burma] and minister for mines and energy, received Mr. Kunihiko Saito, the visiting deputy foreign minister of Japan, at 0900 today at the Dagon House of the Ministry of Defense.

Present at the meeting with Rear Admiral Maung Maung Khin were U Ohn Gyaw, foreign minister and Thura U Aung Htet, director general of protocol of the Foreign Ministry. Accompanying the visiting deputy minister was Mr. Tomoya Kawamura, Japanese ambassador to Myanmar.

The Japanese Deputy Foreign Minister Mr. Kunihiko Saito, accompanied by Mr. Ichiro Manuyama, Burma desk officer of the Japanese Foreign Ministry, visited Myanmar from 17 to 19 December. During his stay in Yangon [Rangoon] the Japanese deputy minister called on Rear Admiral Maung Maung Khin, member of the SLORC and minister for mines and energy; Brigadier General Abel, minister for trade and for planning and finance; and Foreign Minister U Ohn Gyaw and exchanged views and discussed bilateral relations and developments in Myanmar.

The Japanese deputy foreign minister also called on the chairman and members of the Commission for Holding Multiparty Democratic General Elections. In his meetings with the Myanmar leaders, the Japanese deputy foreign

minister explained the Japan's goodwill toward Myanmar and its interest in certain developments. He also raised the following matters:

—developments regarding the various phases of political reform following the holding of general elections;

—Myanmar's attitude toward the appeal contained in the draft resolution tabled at the United Nations and its remarks;

—the tasks being carried out and how they are related to each other; and

—proposed action to be taken under existing laws against persons who have had restrictions imposed upon them.

The Myanmar side explained that these issues were its internal affairs. They said the government was carrying out the maintenance of law and order, and the preservation of peace and tranquility, as well as the successful completion of the objectives already laid down. It was also explained that in the interests of the people in the entire country efforts are being made toward the emergence of a firm constitution.

Mr. Kunihiko visited the Shwedagon Pagoda, the People's Square, and the Union Museum.

[Hong Kong AFP in English at 1105 GMT 19 December carries a similar item with the following additions:

["According to sources following the three-day visit, Saito's request was met with the now standard response—that Aung San Suu Kyi was detained because of undisclosed offences and no one was allowed to meet her, but she could leave the country if she wished.

["Before his departure from Japan, Foreign Ministry officials in Tokyo said Saito would raise the question of democratic reform with the Burmese junta, which is facing increasing international isolation because of its poor human rights record and its refusal to hand over power to civilians.

["During a meeting with Burmese Foreign Minister Ohn Gyaw, Saito urged the junta to take some action to improve Burma's international standing, said one source.

["Since the junta took power in 1988 it has become virtually an international pariah, being widely condemned for its human rights abuses and continued imprisonment of Aung San Suu Kyi and hundreds of other opposition politicians.

["Saito pointed out to Ohn Gyaw that international pressure was mounting on the regime and suggested that the junta might allow Aung San Suu Kyi to meet members of her family or to release her.

["The Burmese regime reportedly gave no indication that it might make any positive changes.

["Ohn Gyaw added that Aung San Suu Kyi was free to meet her family provided that she left the country."]

Detainees Are 'Internal Affairs'

OW1912142491 Tokyo KYODO in English 1352 GMT 19 Dec 91

[Text] Yangon [Rangoon], Dec. 19 KYODO—Myanmar [Burma] told Japanese Deputy Foreign Minister Kunihiko Saito on Thursday that political detainees are "internal affairs," according to a Myanmar Government statement.

The statement was an oblique reference to the Myanmar Government's two-year house arrest of opposition leader and 1991 Nobel Peace Prize recipient Aung San Suu Kyi.

The Myanmar Government issued the statement following talks here between Saito and Vice Admiral Maung Maung Khin, commander in chief of the Navy and a member of the State Law and Order Restoration Council.

The statement also said that "as a matter of national cause" the government was "carrying out the maintenance of law and order and the preservation of peace and tranquility, as well as the successful completion of the objectives already laid down".

The government statement said the talks covered political developments in Myanmar and its response to some of the points in the draft resolution submitted to the United Nations General Assembly, and "proposed action to be taken, under existing laws, against persons who have had restrictions imposed upon them."

Saito, who arrived in Myanmar on Tuesday, was due to leave for Japan on Thursday.

Troops Seize Karen-Held Mountain Pass in West

BK2012060391 Hong Kong AFP in English 0544 GMT 20 Dec 91

[Text] Bangkok, Dec 20 (AFP)—Burmese Government troops have captured a rebel-held mountain pass in Burma's southwestern Mon State after three days of heavy fighting, a Thai Border Patrol Police (BPP) officer said Friday.

A 600-strong Burmese force attacked on Tuesday a stronghold of ethnic guerrillas of the Karen National Union (KNU) at Hin Kong Pass, a rugged mountain pass through the Tenasserim range, the natural border between Burma and Thailand, the officer said.

The strategic pass, defended by about 150 rebels, including KNU guerrillas and armed students of the All Burma Student Democratic Federation (ABSDF), was overrun on Thursday, said the officer attached to the 135th BPP Unit stationed on the border.

"The Burmese troops had taken decisive combat actions to take the mountain pass and forced the mixed KNU and ABSDF contingent to retreat southward of their original position," the officer said.

Casualty figures on both sides were not immediately known, he said.

Brunei, Malaysia & Singapore

Malaysia

PRC Investment Increase of 3,000 Percent Noted

BK1912110091 Kuala Lumpur BERNAMA in English 0820 GMT 19 Dec 91

[Text] Kuala Lumpur, Dec 19 (OANA-BERNAMA)—China's investments in Malaysia registered a dramatic 3,000 percent increase between January 1990 and November 1991, totalling Malaysian $407.2 million (U.S.$148 million) compared with the corresponding 1987-89 period's Malaysian $13.8 million (U.S. $5 million).

In 1991 alone, as at November, three joint venture projects with China worth Malaysian $838.5 million (U.S.$305 million) were approved by the Ministry of International Trade and Industry. Chinese participation in these projects amounted to Malaysian $379.6 million (U.S.$138 million).

In terms of foreign investments, China's investment is the fastest growing in Malaysia, considering that investment flows between the two countries began only in 1987.

Deputy Minister Chua Jui Meng said: "What we have here is only the tip of the iceberg.

"Given that trade is continuously expanding between the two countries, there is no doubt that even greater investment links will be forged. Trade and investment flows between Malaysia and China can be expected to surge dramatically in the next 10 years as both countries continue to pursue vigorous policies to enhance trade."

Chua said the big surge in investment interest from China clearly demonstrates China's increasing confidence and commitment to Malaysia's economic and industrial development.

On trade, he said China has tremendous market potential for Malaysia's manufactured goods, especially those related to indigenous materials such as palm oil, rubber, and tin. At present, China imports mainly natural rubber and raw chemicals from Malaysia.

200 Pas Supporters Desert Party, Join UMNO

BK1812030691 Kuala Lumpur NEW STRAITS TIMES in English 16 Dec 91 p 2

[Text] Alor Star, Sun—More than 200 Pas [Pan-Malaysian Islamic Party] supporters in Jerlun has deserted the party and pledged support for UMNO [United Malays National Organization] since campaigning for the December 19 Jerlu by-election, started six days ago.

State UMNO information chief Abdul Rahman Ibrahim said more Pas supporters were also expected to join UMNO within the week.

"We could expect about 500 Pas supporters in Jerlu to join UMNO before polling day," he added.

Speaking to newsmen at Bangunan UMNO [UMNO Building] today, Encik [Mr.] Abdul Rahman attributed this development to the success of BN [Barisan Nasional] campaign strategies which had enabled its leaders to reach Pas supporters at informal meetings.

"UMNO national leaders have even gone into the villages on motorcycles to meet the people."

Official on Mutual Airspace Use With Singapore

BK1912054091 Kuala Lumpur NEW STRAITS TIMES in English 17 Dec 91 p 6

[Text] Malaysia will allow the Singapore Air Force to use the country's air space although some of the republic's jet fighters had crashed during exercises in Johor, Home Ministry parliamentary secretary Ong Ka Ting said. He said under the Five Power Defense Arrangement of which Malaysia is a signatory, the country was committed to allow Singapore to use its airspace for air exercises. In the same manner, Singapore has to allow Malaysian jets to use its airspace for the same purpose, he told Mohamed Kamal Husayn (BN [Barisan Nasional]-Lembah Pantai) who wanted to know whether the government still allowed Singapore to use the country's airspace despite the recent air crashes involving Singapore Air Force jets.

Singapore

Position on UN Zionism Resolution Clarified

BK1912133291 Singapore THE STRAITS TIMES in English 19 Dec 91 p 2

[Text] A spokesman for the Foreign Ministry yesterday clarified that Singapore had not supported a 1975 UN resolution that equated Zionism with racism.

THE STRAITS TIMES yesterday quoted a NEW YORK TIMES report saying many Asian and African nations, including India, Nigeria, Singapore and the Philippines, which voted for the Zionism action 16 years ago, reversed themselves on Monday.

The Foreign Ministry spokesman said Singapore abstained from the 1975 vote.

But on Monday, Singapore was among 111 members of the General Assembly's 166 members which voted in favour of the revocation, with 25 nations, mostly Islamic and hard-line communists, voting against. Thirteen nations abstained.

At least 23 member states were not present during the vote.

Cambodia

Hun Sen Sacks Transport Minister To Quell Riots

BK2012052591 Hong Kong AFP in English 0510 GMT 20 Dec 91

[Text] Phnom Penh, Dec 20 (AFP)—Cambodian Prime Minister Hun Sen sacked his transport minister Friday in a bid to quell violent demonstrations against official corruption.

Transport and Communications Minister Ros Chhun and three of his deputy ministers "have left their place of work," Hun Sen said in a tape-recorded speech.

Police broadcast the message over loudspeakers to a crowd of several thousand people who sacked and burned a house they said Ros Chhun had sold without sharing the profits.

Hun Sen Chairs Council of Ministers Plenum

BK1912103991 Phnom Penh Samleng Pracheachon Kampuchea Radio Network in Cambodian 0430 GMT 19 Dec 91

[Text] On the morning of 19 December, the Council of Ministers held its plenary session to examine its work and set targets.

The plenum was chaired by His Excellency Hun Sen, vice chairman of the Cambodian People's Party Central Committee and chairman of the Council of Ministers of the State of Cambodia.

Attending the plenum were ministers, deputy ministers, and directors of various ministries and departments, and leaders of provinces and cities throughout the country.

Hun Sen Speaks on Transition to Market Economy

BK1812131791 Phnom Penh Samleng Pracheachon Kampuchea Radio Network in Cambodian 2300 GMT 17 Dec 91

[Text] On the morning of 17 December, His Excellency [H.E.] Hun Sen, vice chairman of the Cambodian People's Party [CPP] Central Committee and chairman of the State of Cambodia's Council of Ministers, cordially met the participants of a seminar on the transition to a market economy. This seminar, which began on 12 December, is organized by the Trade Ministry in conjunction with the Institute for the Promotion and Research on the Development of Cambodia [IPRDC].

Also attending were a number of ministers and deputy ministers as well as several officials from related economic institutions. IPRDC teachers and the representatives of some international organizations in Cambodia were also present.

Taking the floor, H.E. Hun Sen noted that the State of Cambodia did not have a market economy after 7 January 1979. It was impossible for the economy to perform according to the restructuring in Eastern Europe and the Soviet Union or Vietnam then as Cambodia had no market structure. The Council of Ministers chairman stressed: At present, however, we have shifted from the planned economy to a market economy by adopting a market management machanism. Nevertheless, this change does not mean that Cambodia's market economy is already perfect. The shift is very difficult and complicated and the knowledge of our officials in economics has not been unified yet.

H.E. Hun Sen also pointed out in order to perfect this transition to a market economy that it was imperative for leaders and officials to join hands to solve a number of important issues such as streamlining the administration to effectively implement economic measures. Along with this, each supporting institution should help establish the appropriate regulations and documentation to promote the development of operation and production.

In the market economy mechanism, all economic institutions, especially the Ministry of Finance should do their utmost to avert inflation and protect the people's interests. Importantly, they should dedicate attention to the agricultural investment with a view to improving the living standards of peasants. At present, we should strive to train cadres in economic management and improve our knowledge of economics to make the market economy in the State of Cambodia perfect and efficient.

Commentary Dismisses SNC Government Concept

BK2012034191 Phnom Penh Samleng Pracheachon Kampuchea Radio Network in Cambodian 1300 GMT 19 Dec 91

[Undated PRACHEACHON commentary: "Promoting the Effective Implementation of the Paris Peace Accord Is the Sublime Task"—date not given]

[Text] The Paris peace accord reached on 23 October 1991 is a historic important agreement that the entire Cambodian nation and people everywhere, both in and outside the country, have yearned for ever since Cambodia was plunged into a series of wars. The Paris peace accord was given an historic signing by the Cambodian parties and the 18 countries concerned, which served as witnesses. Those countries were the five major powers, permanent members of the UN Security Council [UNSC]—the Soviet Union, the Unites States, China, France, and Great Britain—the six ASEAN states—Thailand, Indonesia, Philippines, Singapore, Malaysia, and Brunei—Australia, Japan, India, Canada, Vietnam, Laos, and Yugoslavia, which represented the Nonaligned Movement.

The Cambodian people are extremely satisfied with, and feel obligated to, the international community for its support and assistance in the search for a peaceful solution to the Cambodian problem leading up to the Paris peace accord. The accord is a vitally important agreement that will hopefully bring genuine and lasting peace to the Cambodian nation and motherland. As

such, it is particularly important for us to prove that, from now on until the holding of elections, our major and sublime task is to continue promoting the effective and correct implementation of the Paris peace accord. As always, the State of Cambodia side has not only pledged to sincerely respect the Paris accord but has also strived to enhance the speedy and proper implementation of the accord 100 percent.

Nonetheless, it is regrettable that some parties continue to encroach upon the Paris accord by firing artillery shells on various positions of the State of Cambodia, plundering the people's property, attacking some remote villages and communes, and announcing the establishment of the so-called village and communal supreme national councils. And lately, His Excellency Son Sann, who is with the other Cambodian side, has suggested that all the SNC members should share responsibility for administering political and economic affairs in the country. This is evidently a strategy aimed at turning the SNC into a coalition government to replace the existing administration prior to the elections. This runs counter to the Paris accord, plunging the Cambodian peace process into a political crisis. The move has not only disturbed the Paris accord implementation but has also complicated the first historic, official meeting of the SNC in Phnom Penh, to be held in the near future.

The Cambodian people in the interior of the country and overseas have considered peace the most valuable thing and held that the golden opportunity for achieving peace should not be left out. So the only approach to attain genuine and durable peace in Cambodia is purely the correct and 100 percent implementation of the Paris peace accord. We are of the opinion that, at every meeting of the SNC to be held consecutively in Phnom Penh in the future, none of the assistants within the SNC should raise any obstructing issues unrelated to the Paris accord, no matter what.

Now more than ever, the scrupulous and correct implementation of the Paris peace accord for the supreme interest of the nation and motherland is the SNC's historic, noblest task. The Supreme Council is in no way a government but an adviser, an embodiment of Cambodian national sovereignty and unity, and, finally, Cambodia's representative in the international arena.

Commentary on SNC, UN Executing Peace Accord

BK2012014691 (Clandestine) Voice of the Great National Union Front of Cambodia in Cambodian 2330 GMT 18 Dec 91

[Unattributed commentary: "Who Is Responsible for Implementation of the Paris Accord on Cambodia?"]

[Text] 1. The Paris accord on Cambodia is a document that 18 countries and the representative of the UN secretary general signed on 23 October 1991;

2. The Supreme National Council, or SNC is the unique legal organ and source of authority representing Cambodia's national sovereignty, independence, and unity during the transitional period;

3. The UN Transitional Authority in Cambodia, or UNTAC is an interim authority set up by the UN Security Council [UNSC], the five permanent members of the UNSC, and the Paris conference cochairmen in accordance with the significance of the Paris 23 October 1991 accord; and

4. In light of the Paris accord, the SNC chaired by Cambodian head of state Samdech Norodom Sihanouk should work in conjunction with the UNTAC in the military and civilian fields. Close cooperation between the two transitional authorities is specifically aimed at verifying the withdrawal of all kinds of invading foreign forces from Cambodia.

By all means, the Paris accord explicitly stipulates that during the entire transition, the SNC and UNTAC are responsible for the Paris accord implementation.

Therefore, only with the SNC and UNTAC's collective responsibility for the implementation can the Paris accord be gradually and completely executed, thereby allowing Cambodia to eventually regain peace, independence, and national unity.

Khmer Rouge Leaders To Attend 1st SNC Meeting

BK2012051391 Phnom Penh SPK in English 0405 GMT 20 Dec 91

[Text] Phnom Penh SPK December 20—Khmer Rouge leaders will return to Phnom Penh this weekend to attend the first Supreme National Council (SNC) meeting in Cambodia's capital, Khmer Rouge radio was quoted by AFP [Agence France-Press] as announcing Thursday [19 December].

The radio said Khmer Rouge Leaders Khieu Samphan and Son Sen would return on Saturday for the SNC meeting to take place in Phnom Penh the same day.

The two representatives of the radical Marxist guerrilla faction on the SNC fled Phnom Penh for Thailand on November 27 when an angry mob attacked their headquarters in the capital only hours after Khieu Samphan had arrived in Phnom Penh.

The radio said Saturday's meeting of the SNC would also be attended by representatives of the United Nations Security Council permanent members.

U.N. Security Council permanent members—the United States, China, France, Britain and the Soviet Union—brokered Cambodians' 23 October peace treaty under which the SNC, an interim reconciliation body of Cambodia's rival factions, is to be headquartered in Phnom Penh.

But an advance delegation of eight Khmer Rouge officials, including their representatives on the SNC's secretariat which handles the body's administrative matters, returned to the Cambodian capital last Tuesday.

Following the attack the SNC held an emergency meeting in the Thai resort of Phatthaya and agreed that Khieu Samphan, the nominal leader of the Khmer Rouge and a close associate of Pol Pot, and Son Sen, the faction's guerrilla chief, would be housed at the SNC's Phnom Penh headquarters for their safety.

To enhance their protection in the Cambodian capital, a small group of UN military officials are also to be housed at the headquarters.

Prime Minister Hun Sen promised after the attack to guarantee the safety of the Khmer Rouge without whom the SNC cannot meet. But he said he had no right to prevent peaceful demonstration against the group.

UN Battambang-Pailin Flight Symbolizes Progress

BK1912132191 Phnom Penh SPK in English 1100 GMT 19 Dec 91

[Text] Phnom Penh SPK December 19—United Nations Advance Mission in Cambodia chief liaison officer Ataul Karim flew on a direct mission between Battambang and Pailin Wednesday.

"The flight between centres of each opposing Cambodian factions symbolized the progress made since signing of the peace agreement in Paris, " said Ataul Karim in a press release. "Furthermore, it symbolized the linkage role, the facilitator role being performed by the United Nations," he said and adding that "such a journey would not have been possible for many years."

Following discussion with senior Khmer Rouge officials in Pailin Ataul Karim confirmed that "the peace agreement signed in Paris on 23 October, is on tracks." He said "all Cambodian parties to the Paris agreement are extending their full cooperation in assisting UNAMIC to fulfill its mandate."

Brigadier Michel Loridon, UNAMIC military liason officer together with French, Canadian and Australian officers were accompanied on this flight.

Hor Namhong Receives Swiss Ambassador 13 Dec

BK1812111591 Phnom Penh Samleng Pracheachon Kampuchea Radio Network in Cambodian 1300 GMT 17 Dec 91

[Text] On the morning of 13 December at the Ministry of Foreign Affairs, Hor Namhong, foreign minister of the State of Cambodia and member of the Supreme National Council [SNC] of Cambodia, met with Gerard Fonjallaz, Bangkok-based Swiss ambassador, who represented the Swiss authorities in handing over a letter from the Swiss Foreign Minister Rene Felber to Samdech Preah Norodom Sihanouk, chairman of the Cambodian SNC.

At the meeting, Hor Namhong thanked the Swiss for its stance on establishing relations with the SNC. He also briefed the guest on the developments in Cambodia before and after the liberation, especially the situation surrounding the settlement of the Cambodian problem and after signing the peace accord in Paris on 23 October.

Hor Namhong pointed out that the SNC represented Cambodia's sovereignty during the transition and that it has a role in diplomatic relations. While the existing government continues to solve the country's problems, the UN transitional authority in Cambodia will supervise and control the implementation of the signed accord. He added that the State of Cambodia Government has meticulously implemented the agreement and that one should not deviate from it.

In his reply, the Swiss ambassador said he was very pleased as this is his first time in Cambodia and to have contacts with the SNC since he has long followed the situation in Cambodia. He agreed that the State of Cambodia Government should be the one to solve the problems on site. He added that while the Swiss authorities are strictly neutral, it has pledged to donate $700,000 for refugee repatriation through an organization. Switzerland has always helped the Cambodian people through humanitarian organizations, especially the Swiss Red Cross committee. On the proposal to train Cambodian diplomatic personnel, the Swiss ambassador has pledged to study the matter and find a solution for it.

Hor Namhong, Malaysian Envoy Discuss Cambodia

BK1912130791 Phnom Penh Samleng Pracheachon Kampuchea Radio Network in Cambodian 1100 GMT 19 Dec 91

[Text] At 0900 on the morning of 19 December at the Foreign Ministry, His Excellency [H.E.] Deva Mohamed Ridzam, Malaysian ambassador and special representative to Cambodia's Supreme National Council [SNC], called on Mr. Hor Namhong, Cambodian foreign minister, in order to present a copy of the Malaysian prime minister's credentials appointing him as Malaysian ambassador and special representative accredited to Cambodia.

H.E. Deva Mohamed Ridzam conveyed H.E. Prime Minister Mahathir Mohamad's best regards to all Cambodian leaders and his wishes to see a good cooperation among all Cambodian factions in implementing the peace agreement in Cambodia. Malaysia wants good bilateral relations between it and Cambodia. Malaysia also wants to contribute to rebuilding Cambodia, particularly regarding economic cooperation with Cambodia, beginning with investment in the banking, civil aviation, and tourism sectors.

In his reply, Mr. Hor Namhong informed H.E. Deva Mohamed Ridzam on the developments related to the peace process in Cambodia and pledged to firmly abide

by the Paris agreement. He also welcomed Malaysia's proposals to help restore the Cambodian economy and to invest in Cambodia.

The meeting proceeded in a most joyous and cordial atmosphere.

SRV Ambassador to SNC Meets Chea Soth 17 Dec

BK1912121391 Phnom Penh SPK in French 1113 GMT 19 Dec 91

[Text] Phnom Penh 19 Dec (SPK)—Chea Soth, vice chairman of the Council of Ministers of the State of Cambodia, received in Phnom Penh on Tuesday, 17 December, Tran Huy Chuong, Vietnamese ambassador to the Supreme National Council of Cambodia (SNC).

Chea Soth informed the Vietnamese diplomat of the difficulties that Cambodia will have to face in order to restore its economy destroyed by the war and lately by floods.

The Cambodian leader also talked about the potential of the country's new economic policy, particularly in the four major sectors; foodstuff, rubber, forestry, and fishing.

Chea Soth affirmed that his country continues to uphold solidarity with Vietnam. "Prince Norodom Sihanouk also supports this solidarity," he noted.

In his answer, the Vietnamese diplomat pledged to do his utmost in order to consolidate this solidarity and bring success to the implementation of the cooperation agreements already signed between the two countries.

Visits Defense Minister Tie Banh

BK1812132691 Hanoi Voice of Vietnam in English 1000 GMT 12 Dec 91

[Text] Vietnamese Ambassador to the SNC [Supreme National Council] of Cambodia Tran Huy Chuong on Tuesday [10 December] paid a courtesy visit to Cambodian Defense Minister Tie Banh.

During the talk, General Tie Banh pledged the determination of the Cambodian people's party and Cambodian government to implement the Paris agreement on Cambodia and urged the concerned parties to do the same for real peace and national reconciliation as well as for free and fair general elections.

The Cambodian general appreciated Vietnam—a signatory to the agreement—which has strictly carried out this agreement.

More Reportage Australia's Evans 16-18 Dec Visit

BK1912075291 Phnom Penh SPK in English 0220 GMT 19 Dec 91

[Text] Phnom Penh SPK December 18—Australian Foreign Minister Gareth Evans left here Wednesday after a three-day visit to Cambodia from 16-18 December.

Senator Gareth Evans, who first visited Cambodia as a student backpacker in 1961, paid a courtesy call to Prince Norodom Sihanouk, chairman of the Supreme National Council of Cambodia, and met with party Chairman Chea Sim, Prime Minister Hun Sen, Foreign Minister Hor Namhong and leaders of two of the three resistance factions.

Evans, an architect of the peace plan, visited the Angkor Wat complex in Siem Reap Province, the Tuol Sleng Museum in Phnom Penh and the Australian UNAMIC [UN Advance Mission in Cambodia] troops here.

Right after his arrival here on December 16, Senator Evans said that he would push for strict and speedy implementation of the peace agreement signed in Paris on October 23.

He said, "We want to get the UNTAC [UN Transitional Authority in Cambodia] forces on the ground as fast as humanly possible."

In a press conference held here Monday, Senator Evans said he thought UNTAC could deploy in Cambodia before the end of the current dry season.

He added that he would "strongly" urge George Bush during the U.S. President's visit to Australia starting late next month to pledge more money to UNTAC, which will be the biggest UN operation in history.

Evans also announced 2.3 million Australian dollars (1.7 million U.S.) in new aid for Cambodia, where aid groups already received about nine million Australian dollars (seven million U.S.) annually.

Evans was accompanied by Australian businessmen representing aviation, water and electricity, telecommunication, oil and gas financial services.

Support Agency in Japan To Help Children

BK1412051691 Phnom Penh Samleng Pracheachon Kampuchea Radio Network in Cambodian 1300 GMT 13 Dec 91

[Text] On the afternoon of 12 December 1991, at the office of the State of Cambodia Foreign Ministry, (Tong Suon), deputy foreign minister of the State of Cambodia, signed an agreement on developing Cambodia with (Noza Kazi), head of the Support Cambodian Children organization in Japan, who is on a visit to Cambodia. This agreement will create conditions for cooperation and for providing assistance and mutual understanding in every field.

The Support Cambodian Children organization is a humanitarian, non-governmental, non-religious, and non-political, body operating in Cambodia to develop and improve the living conditions of Cambodian children and their families. This organization will provide assistance to children and their families and closely cooperate with related institutions, such as women's association, the Education Ministry, the Cambodian

Red Cross, and various groups which have interest in improving the living conditions of Cambodian children and their families.

Indonesia

Alatas on ROK Court Decision on Merchant Ship

BK1912025291 Jakarta Radio Republik Indonesia Network in Indonesian 0000 GMT 19 Dec 91

[Text] Foreign Minister Ali Alatas expressed disappointment over the unilateral decision made by the Inchon court in South Korea to auction off an Indonesian merchant ship KM-47 detained at the Inchon port since December of last year.

Minister Ali Alatas told newsmen in Jakarta yesterday it seemed that the South Korean law court did not take into consideration facts and arguments given by the Indonesian crew. The unilateral decision handed down by the South Korean court would cause great loss to Indonesian businessmen. He said that although Indonesia is aware of the little influence the executives have over altering decisions made by the legislators in South Korea, the Indonesian Government will try to convey its opinions on the court order to South Korean authorities.

Apart from the decision to auction off the KM-47 ship, the South Korean court had also imposed a fine of U.S.$3.5 million or about 7 billion rupiah on the owner and operator of the ship. They are P.T. Pesero Pan and Perusahaan Pelayaran Bahari.

Australia Signs Timor Oil Exploration Contracts

BK1712140791 Jakarta Radio Republik Indonesia Network in Indonesian 1200 GMT 17 Dec 91

[Excerpt] The Joint Indonesian-Australian Authority today signed production-sharing contracts on oil and gas exploration in the Timor Gap. The contracts were signed by Zahar and Stuart [surname indistinct], executive directors of the Joint Indonesian-Australian Authority, in a ceremony which was witnessed by Indonesian Ambassador to Australia Sabam Siagian; Australian Ambassador to Indonesia Philip Flood; Faisal Abda'u, president director of the State Oil and Gas Corporation; and Suyitno Padmosukismo, director general for oil and gas.

Following the signing of the production-sharing contracts covering a total investment of U.S. 362.2 million with six contractors, the director general for oil and gas told reporters that a survey was expected to be undertaken in 1992 and exploration would start in 1993. [passage omitted]

[Hong Kong AFP in English at 1206 GMT on 17 December carries a Jakarta-datelined item which adds the following:

[Australian Ambassador to Indonesia Philip Flood rejected Portuguese criticism of the Timor Gap oil production sharing treaty when signing contracts with private consortiums here Tuesday.

[Australia was bound by its treaty on East Timor signed with Indonesia in 1989 "the same way we would under any treaty that we concluded," he said.

["We have an operable treaty between our two countries," he said at the signing ceremony of six production-sharing contracts for the Timor Gap.

["We take seriously our obligations under international treaty."

[He said no country, including Portugal, had the right to interfere with the arrangement between two governments, and Australia "take very seriously the question of cooperation" with its neighbour.

[Flood said Canberra had received a formal protest from Portugal over the planned signing of the oil contracts.

[Portuguese Foreign Minister Joao de Deus Pinheiro was quoted in an interview saying Lisbon "would take action and ask for compensation."]

Official Urges Promotion of Nonaligned Summit

BK1312115491 Jakarta ANTARA in English 1008 GMT 13 Dec 91

[Text] Jakarta, Dec 13 (OANA-ANTARA)—Director General of Press and Graphics Subrata Friday called on the Indonesian press, particularly the national news agency ANTARA, to intensify the publication of news on the Non-aligned Movement (NAM) summit which will be held here in September next year.

"Publication of news on NAM is very important to ensure the success of the NAM summit," the director general said after attending the 54th anniversary celebration of ANTARA here.

He said that ANTARA played a crucial role in supporting the holding of the Afro-Asian Conference in Bandung in 1955, which became an embryo of the birth of the movement.

Subrata also urged ANTARA to increase cooperation in the publication of news on NAM through news exchange systems with Asian News Network (ANN), the International Islamic News Agency (IINA), and the Non-aligned News Agencies Pool (NANAP).

But he reminded ANTARA of its important tasks of moving news not only before the summit but also during and after the NAM event, in order that the result of the conference could be implemented by the NAM member countries.

"Besides covering the NAM summit, ANTARA together with the other media, will also face an important event at home, namely the general elections in 1992 and the general assembly of the People's Consultative Assembly (MPR) in 1993," Subrata said.

Referring to biased overseas reports, the director general requested ANTARA to move speedily to balance reports which were negative in nature.

He also advised ANTARA to expand its business to other fields which were financially beneficial, besides carrying out its main mission of supplying news to print and electronic media.

The experience of news agencies in many countries shows that it is hard for them to become self-reliant if they only supply news to the mass media.

He pointed to REUTERS which is financially supported by the sale of economic information and business data, and AFP which is much supported by photo services.

At this point, the director general supported ANTARA's efforts to supply business and financial data to businesses and the banking sector.

ANTARA has since its establishment 54 years ago played a concrete and positive role in balancing news from transnational news agencies through the exchange of news with OANA, IINA, and NANAP.

Laos

Trade With PRC's Yunnan Province Increases

BK1912112691 Vientiane KPL in English 0906 GMT 19 Dec 91

[Text] Vientiane, Dec 19 (KPL)—The trade contact between the Chinese Yunnan Province and Laos has rapidly developed, recently said Beijing Radio.

In 1983, the trade value between the sides was only 177,000 yuan [PRC currency] against 31 million now. Over the past 10 months of this year alone, the value reached 28 million, a 14-percent increase compared with the corresponding period of last year.

The Chinese exports to Laos include construction materials, cement, steel, industrial products, textiles, vehicles, and engines, while the Lao exports to China are agricultural produce and wood items.

Refugees From PRC Exile Given Homes, Land

BK1912140791 Vientiane Vitthayou Hengsat Radio Network in Lao 1200 GMT 19 Dec 91

[Text] The 18 families of 84 Lao refugees who had earlier returned from their exile in China have recently been sent to Champassak Province. They have reportedly received a warm welcome and good treatment from the social welfare and war veterans service of the province. All of them have already been sent back to their home villages in six districts of the province, namely Khong, Pathoumpon, Sanasomboun, Mounlapamok, Phonthong, and Pakse.

At present, the local administrations concerned are allocating them land and homes and providing them with some conveniences so that they can gradually improve their livelihoods by being productive.

Thai Team on Orphanage Project Ends Visit

BK1912131591 Vientiane Vitthayou Hengsat Radio Network in Lao 1200 GMT 19 Dec 91

[Text] The coordinating committee of Her Royal Highness Princess Maha Chakkri Sirinthon led by Sumet Tantiwetchakun, special secretary of the advisory committee in charge of coordinating royally-sponsored projects, ended a visit to Vientiane to study and consult with Lao authorities on a lunch-for-orphans project and a project to promote activities of orphans at the orphanage located at KM 67 marker. The group departed for home at noon today.

Seeing the delegation off at Wattai airport were Brigadier General Soutchai Thammasit, director of the cadres organization department of the Interior Ministry, and a number of department officials. Nikhom Tantemsap, ambassador extraordinary and plenipotentiary of the Kingdom of Thailand to the Lao People's Democratic Republic, was also at the airport to bid farewell to the Thai party.

Ea.lier on the evening of 18 December, the Thai Ambassador also hosted a reception in honor of the visiting delegation at the Thai embassy in Vientiane.

Repairs on Highway to Cambodian Border Completed

BK1912141691 Vientiane Vitthayou Hengsat Radio Network in Lao 1200 GMT 19 Dec 91

[Text] In the last four months of this year, bridge-highway workers of the No. 13 south company in Champassak Province have completed upgrading and repairing Highway No. 13 located at the south of the province. The highway has been damaged from Kilometer 8 in Pakse Municipality to the KM 160 marker in Na Kasang on the Cambodian border.

The repair has been carried out with some 34 million kip from the central budget. In addition, the province also allocated 13 million kip for repairing bridges and roads in Khong and Pathoumphon Districts. For example, they resurfaced 43 km in Na Kasang, repaired a 10-km road to Na Muang village, a 38-km road to Tha Pho village, and resurfaced road No. 18 from Pathoumphon to Se Khampho with the total budget of 24 million kip [as heard]. A bridge on Road No. 18 was also repaired with a budget of 6 million kip.

So far, the workers have managed to fulfill approximately 62.6 percent of their work plan this year.

Vientiane Revenue From Timber Exports Reported

BK1912113491 Vientiane KPL in English 0904 GMT 19 Dec 91

[Text] Vientiane, Dec 19 (KPL)—This year the value of timber export of Vientiane Municipality has reached over $5 million, according to VIENTIANE MAI's report.

The exports included 15,000 m3 [cubic meters] sawn timber, over 2,000 m3 finished wood, 3,600 sheets of plywood, 90,000 tons of skewers and toothpicks, and some other wood items.

The municipality during the period received 258 million kip tax on timber business.

Philippines

Senator Claims U.S. N-Weapons Stored at Subic

HK2012024191 Manila PHILIPPINE DAILY INQUIRER in English 20 Dec 91 p 12

[Text] Sen. Wigberto Tanada, an opponent of U.S. bases, yesterday said he has received reports that the United States may have transferred to Subic Naval Base its nuclear weapons in South Korea.

Tanada said the reports came in the wake of a U.S. statement it has no more nuclear weapons in South Korea.

The U.S. statement was issued to pressure North Korea to sign an accord with the South on nuclear safeguards, nuclear weapons development, and nuclear inspections.

Tanada and Sen. Leticia Ramos-Shahani said the U.S. statement betrays Washington's inconsistency in handling inquiries on the presence of U.S. nuclear weapons in foreign territory.

"There should be consistency in their (U.S.) policy," said Shahani, chairman of the Senate committee on Foreign Relations.

Tanada said the U.S. refusal to abandon its policy of neither confirming nor denying the presence of nuclear weapons in the Philippines only indicates that U.S. officials "are still keeping the nuclear weapons here."

Tanada said he will press the U.S. embassy for a categorical answer as to whether or not there are nuclear weapons stored in Subic.

Ongoing talks between Manila and Washington for a three-year withdrawal of all U.S. troops from Subic have been snagged because of the Philippine panel's insistence that the United States respect a constitutional ban on nuclear weapons in the country.

President Aquino had said that all U.S. forces will have to leave next year if no agreement for a three-year pullout is reached by Dec. 31.

The U.S. panel has also objected to Manila's demand for a specific timetable on the pullout of 6,000 U.S. servicemen from Subic.

"They (U.S. officials) feel that since they are a superpower, they don't have to be told what to do," Shahani said. "They don't want a programmed withdrawal."

Shahani expressed doubts the talks would "approach any positive outcome."

Tanada said Washington "cannot gracefully accept the decision of the Senate" which rejected a proposed treaty extending the U.S. lease on Subic for 10 more years."

"They can't accept the fact that a small country can take such a position," he said.

Shahani and Tanada lauded the Philippine panel for its stiff opposition to the transit of U.S. nuclear weapons in Philippine territory.

The Philippines has no way of detecting whether U.S. ships and planes making a stop in the country are carrying nuclear weapons.

Congress Ends Session; One Measure Passed

HK2012050791 Manila PHILIPPINES NEWSDAY in English 20 Dec 91 pp 1, 2

[By Jose H. Macaspac III, Mariquit Almario, Minnie R. Cadelina and Dionisio Tubianosa]

[Text] Congress yesterday adjourned its special session with the Senate passing only one of the seven administration measures certified urgent by Malacanang and president Aquino immediately announced that she would call another special session next January before the scheduled resumption of sessions on January 13.

The Senate passed the bill extending the life of the Asset Privatization Trust (APT) and the Committee on Privatization (COP) which was immediately approved by the bicameral conference committee.

The Senate passed three other measures not included in the priority list of Malacanang for which the special session was called, namely:

1) The P [Philippine peso] 301.7 billion General Appropriations Act, which was passed by the rump Senate but which was opened for debate on the claim of Senate Minority Leader Juan Ponce Enrile that the minority had not been given the opportunity to scrutinize it, making its approval technically defective;

2) The resolution on the Build-Operate-Transfer Law which gives the executive department "carte blanche" authority to issue franchises for private investors intending to build government facilities, and

3) The Civil Service Code which provides more protection to government workers.

Left unacted on for lack of time were six Malacanang measures which include four tax bills, the creation of the baselands conversion authority, and the codification of laws protecting consumers in a Consumer Code.

Senator Leticia Shahani, sponsor of the bill on the baselands authority, asked the body to defer consideration of the bill until the Philippines and the US had resolved the question on the withdrawal schedule on the bases.

Shahani stressed however that the bill should have been given support by the anti-bases senators who should push for the measure since it contained the only viable alternative on the use of the military facilities after the U.S. left.

The revenue generating measures including the refinement of the value-added tax and the rescheduling of the transfer tax were strongly opposed by some of the senators who said they were regressive and would hit only the poor.

The two other tax measures—one creating the huge taxpayers unit in the Bureau of Internal Revenue and the other providing for a final tax on compensation income—were not taken up by the body because they had not been submitted to it.

Of the measures presented by Malacanang for enactment, the bill extending for two more years the life of the Asset Privatization Trust and the Committee on Privatization was the only one approved.

The Senate believed that the two agencies which are in charge of diposing of government assets including those sequestered from former President Marcos and his cronies had not completed their work and needed more time to finist it.

But the extension was anchored on a provision which barred the two offices from selling the sequestered assets to their previous owners.

In passing the 1992 money measure, the Senate gave the Aquino government the funds to pursue its development projects despite the objections of the new opposition bloc of "augmentation" of some of the budget items.

Also, the new opposition in the chamber, led by ousted Senate President Jovito Salonga, moved for a deferment of the consideration of all the tax measures Malacanang presented to the Senate for approval.

Former Senate Majority Leader Teofisto Guingona Jr. immediately branded the tax measures as "regressive" and would only impose additional burden on the poor while allowing the rich to get away with relatively less taxes.

Guingona and the eight other senators who comprise the new minority in the chamber earlier vowed to block all tax bills, claiming it would be very hard for the government to convince the people that it needs to impose additional tax burdens to generate funds for public infrastructure and other development projects.

Enrile, in questioning the majority's decision to retain the slashed budgets of the departments, said the Aquino government did not have the right to impose new taxes on the people since it had wasted the public money.

Aside from this, Enrile said, the people could not tighten their belts more with the increasing cost of living in the country.

New Chairmen of Four Senate Committees Instated

HK2012015291 Manila DWTZ Voice of the Filipino People's Radio In Tagalog 2200 GMT 19 Dec 91

[Italicized passages in English]

[Text] The new Senate leadership instated yesterday the new chairmen of three important Senate committees, namely the Senate Committees on Ethics, Finance, and Public Works and Highways. The change in committee chairmanship was a result of a Senate reorganization brought about by the ouster of Senate President Jovito Salonga as Senate president during the *romp* session held by the *rebel* senators. The newly instated committee chairmen are: Senator Vicente Paterno of the Commission of Ethics, replacing Senator Rene Saguisag; Senator Joseph Estrada of the Commission for Public Works and Highways, replacing Senator Victor Ziga; and Senator John Osmena of the Commission of Finance, replacing Senator Neptali Gonzales, the new Senate president. At the same time, Senator Gonzales also resigned as chairman of the Commission of Electoral Reforms and People Participation to prepare for his new position as Senate president. Meanwhile, Senator Aquilino Pimentel, who resigned as chairman of the Committee for Local Government, was instated as the chairman of the Senate Blue Ribbon Committee.

Former Defense Chief Indicates Presidential Bid

HK2012044591 Quezon City MALAYA in English 20 Dec 91 pp 1, 6

[By Jodeal Cadacio]

[Text] Former Defense Secretary Fidel V. Ramos yesterday strongly indicated he will definitely seek the presidency in the May 11 elections despite his leaving the Laban ng Demokratikong Pilipino [LDP-Struggle of Filipino Democrats], where he lost a binding survey to Speaker Ramon V. Mitra Jr.

He also said negotiations for a teamup with former Chief Justice Marcelo Fernan were continuing in an attempt by both presidential aspirants to forge a campaign machinery independent of the established parties.

Ramos, who was guest at a weekly luncheon meeting with newspaper editors at the Seafood Market in Ermita, also said that he is in the midst of negotiations with

multi-sectoral groups for a coalition that shares his vision of a "God-fearing, pro-people and pro-poor" political and social system.

Ramos and Fernan are said to be President Aquino's leading choices as presidential candidate.

Mrs. Aquino said she will name her candidate on Jan. 6. House Majority Floor Leader Francisco Sumulong (LDP), an uncle of Mrs. Aquino, yesterday said there is still a chance she will endorse Speaker Ramon V. Mitra, winner over Ramos for the Laban ng Demokratikong Pilipino nomination.

But Sumulong said if Mrs. Aquino endorses a non-LDP candidate, he, some other relatives of Mrs. Aquino and their close allies will resign from the LDP.

Sumulong said among those likely to quit the LDP are Rep. Jose "Peping" Cojuangco Jr., the President's younger brother and party secretary general, and Emigdio Tanjuatco (LDP, Rizal), the President's cousin.

"An LDP breakup is not remote once the President endorses a non-LDP candidate," Sumulong said.

The President's in-laws, the Aquinos, however, are expected to stick it out with Mitra.

Ramos said he recently had a second meeting with Feman in the Makati residence of Rep. Pedro Yap (LDP, Tarlac), a known ally of the Cojuangcos.

The meeting was witnessed by Fernan supporter Edgardo Angara (Ind.) and Ramos' sister, Sen. Leticia Ramos Shahani (LDP).

Ramos said he and Fernan did not discuss the subject of who between them should run for president, but Ramos said yesterday a teamup will have to take into account of who is the more "winnable" candidate. He said surveys show a Ramos-Fernan ticket is much stronger than the other away around.

Communist Destabilization Plan Discussed

HK2012034791 Manila THE CHRONICLE in English 20 Dec 91 p 7

[By Joey Caburnida]

[Excerpt] The so-called communist assassination and sabotage plot is just part of a larger destablization plan against the government which includes launching crippling mass actions in urban industrial centers, police intelligence sources claimed yesterday.

They said Oplan Pamasko, [Operation Plan Christmas Present] the alleged leftist plot to kill government officials and sabotage government installations during the Christmas season, is merely a Metro Manila component of the Communist destabilization attempt throughout the country.

In the Visayas, they said the outlawed communist movement and its military arm, the New People's Army [NPA], has launched Oplan Buwal (To Topple).

Other guerrilla commands in the countryside, they added, have also carried out their counterpart operations simultaneously with Oplan Pamasko in Metro Manila and Oplan Buwal in Cebu.

The sources cited the threat of legal left-leaning labor groups to stage a strike in Cebu should the National Power Corporation push through with its plan to raise power rates.

They said the plot actually started during the last part of November and may even go beyond January next year with the main objective of defending the insurgent areas, expanding territories under their control and influence, retaking lost areas and intensifying mass actions in urban centers.

The same sources said these destabilization plots were launched by communist rebels in response to the military and police's Lambat Bitag [Net trap] II [Roman number two] which focuses on enhanced civil-military operations and intensified psychological warfare.

Lambat Bitag II, they added, is focused more in targetting rebel leaders at the grassroots level as compared to its first phase which saw the arrests of the rebel movements top leaders and the dismantling of several of their priority fronts and strongholds. "This government's anti-insurgency campaign," they said, "is aimed at fast-tracking the attainment of strategic control over major rebel fronts nationwide by the end of 1992." [passage omitted]

Manglapus on Willingness To Meet Muslim Rebels

HK2012095291 Manila DZXL Radio Mindanao Network in Tagalog 0700 GMT 20 Dec 91

[Text] Foreign Affairs Secretary Raul Manglapus stressed that the government is ready to conduct talks with Muslim rebels in Mindanao. However, all Muslim rebel factions in the south must unite first before such a meeting could occur. According to Manglapus, talks cannot be limited to members of the Moro National Liberation Front because they are merely one of many Muslim rebel factions. Manglapus also added that since the government now wants to solve the problems in the Mindanao region, there is no reason not to have the dialogue.

Country-Wide Violence Continues; Deaths Reported

Thirteen Bicol Village Leaders Killed

HK2012044491 Manila MANILA BULLETIN in English 20 Dec 91 p B-25

[By Jen L. Jorvina]

[Text] Camp Canuto, Pili, Camarines Sur—A brigade commander of the Armed Forces of the Philippines (AFP) reported yesterday that the number of barangay captains executed by the New People's Army (NPA) rebels has now reached the 13 mark.

In a report to Brig. Gen. Cesar F. Fortune, 2nd Infantry Division (ID) commanding general, Col, Victor A Mayo, 201st Infantry Brigade (IBde) commander, said this and the execution of many civilians in Bicol by NPA rebels are clear violations of human rights.

Colonel Mayo identified the barangay captains as Juan "Pay Owan" Abinal, Barangay Manga, Bato, Camarines Sur, Wiltredo Carimen of Barangay La Purisima, Siruma town; Loreto Belga of Barangay Del Soccoro, Minalabac town; Jose Dreu of Barangay Pulatunan, Lupi town; Raymundo Muceros of Barangay Tinalmod Nuevo, Libmanan town; Jacinto Sereno of Barangay Minalaba, Caramoan town; Ruperto Balmes of Barangay Caime, Sipocot town; Esteban San Jose of Barangay Mangayawan, Canaman town; Vicente Mendoza of Barangay Kabadisan, Ragay town; Ariel Delovino of Barangay Gubat, Lagonoy town; Oriel Remote of Barangay Digdigan, Goa town; Teresita Escalver of Barangay Manangle, Lupi town; and Catalino Garcia of Barangay Katanawan, Lupi town;

He said that the latest human rights violations committed by the NPA's were the ambush/killing of former Bula town Mayor Cirilo Cariaga, his son Federico and brother Rodolfo who were trying to mediate the peace talk between the NPAs and the military.

Mayo said that "Pay Owan" was a septuagenarian who was mercelessly killed while eating supper with his family.

The brigade commander also noted there the burning of the house of Mrs. Norma Nieves, 34, of Sitio Tuis, Barangay Villa Socorro, Libmanan town recently.

Three Killed in Kalinga-Apayao

HK1912100391 Manila Manila Broadcasting Company DZRH in Tagalog 0800 GMT 19 Dec 91

[Text] Three soldiers were killed in an encounter in Kalinga-Apayao and Abra after they were ambushed by an undetermined number of Communist Party of the Philippines-New People's Army [NPA] rebels. Here is Ruben Ballesteros of DZNL, La Union with the details:

[Begin recording] Three government soldiers were killed while two were seriously wounded in an encounter between Philippine Army 68th Infantry Division [ID] Charlie Company members and the NPA rebels at the boundary of Kalinga-Apayao, Mountain Province and Abra. This was learned from Patrolman First Class [PFC] Diomedes Sibayan, one of the injured soldiers who was brought to Ilocos Regional Hospital, San Fernando, La Union.

According to Sibayan, the encounter occurred at 1300 yesterday while elements of the 60th ID were patrolling the town of Tubo, Abra. About 50 NPA rebels, who had positioned themselves at a high place, suddenly fired shots at the patrolling soldiers, led by Lieutenant Rene Guerrero. The slain soldiers were identified as PFC Tangonan, PFC Alba, and PFC Toledo; and wounded were PFC's Joseph Alba and Diomedes Sibayan. Sibayan added many were also wounded and killed on the NPA side but were taken by their comrades on their escape after an hour of fighting. [end recording]

Marine, Police Outposts Attacked

HK1912093991 Manila Manila Broadcasting Company DZRH in Tagalog 0800 GMT 19 Dec 91

[By Francis Calado]

[Text] A group of terrorist rebels attacked three military and police outposts in Bulacan yesterday afternoon. A Philippine marine sergeant died and three Citizens Armed Forces Geographical Unit [CAFGU] were wounded in the encounter. A Camp Crame report revealed that this is the second raid made by the New People's Army [NPA] after they attacked a group of police and a medical team in an ambulance in Oriental Mindoro last Tuesday [17 Dec]. The intelligence report said that this is part of the NPA offensive called Operation Pamasko [Christmas Gift] in relation to the 30th founding anniversary of the NPA on 26 Dec.

A group of NPA rebels belonging to BANABA, Bagong Nabal ng Bayan [New People's Navy], an NPA seaborne combat unit, was responsible for attacking a military and police outpost in Hagonoy yesterday. A 10-minute encounter occurred at the Barangay Hanga detachment, manned by a group of Philippine marines and members of CAFGU of the National Capital Region Defense Command, and also in Barangay Santa Cruz, Bulacan, manned by the Philippine National Police.

Marine Sergeant Julio Ycasiano died in the encounter while CAFGU members Nestor Tolentino, Leonel Buwelta, and Jose Cruz Jr. were injured. The intelligence report added that Oplan Pamasko was supposed to be operated only around Metro Manila, but it was learned that even in the Visayan Region the Communist Party of the Philippines-NPA-National Democratic Front were conducting Oplan Buwal [Operation To Topple].

NPA Leaders Hiding in Southern Tagalog

HK1912100291 Manila Manila Broadcasting Company DZRH in Tagalog 0900 GMT 19 Dec 91

[Text] The Philippine National Police [PNP] disclosed that the communist rebels force has weakened after it was confirmed that the Communist Party of the Philippines-New People's Army [CPP-NPA] leaders are now dwelling in the mountains of Sierra Madre and Southern Tagalog. Here is Francis Calado with the details:

[Begin recording] Benito Tiamzon, acting chairman of the CPP; Wilma Austria Tiamzon, his wife; Felimon Lagman, chairman of the Manila-Rizal Regional Party Committee; and Nilo de la Cruz, head of the NPA Sparrow Unit or the Alex Boncayao Brigade based in Metro Manila, are said to be hiding somewhere in Quezon and Laguna. According to the police, these leaders are responsible for handling the local peace process involving the Melitoglor Command in the mentioned provinces. The PNP accused the CPP-NPA of harboring a hidden agenda in relation to the local peace process. According to an intelligence report, the rebels would press for the declaration of Quezon and Laguna as zones of peace, in the event the local peace talks succeed, similar to what happened in Sagada, Bontoc, Mountain Province. The NPA would allegedly set up a camp which they would call Camp Venus and this would become the Northern Luzon Commission general headquarters. [end recording]

Rebels Arrested in Mountain Province

HK1912100591 Manila Manila Broadcasting Company DZRH in Tagalog 0800 GMT 19 Dec 91

[By Romy Gonzales]

[Text] Two New People's Army [NPA] rebels were arrested in a clash with military troops some days ago at Barangay Agao, Bisao, Mountain Province. Lieutenant Colonel Jovito Palparan, commanding officer of the 24th Army Infantry Battalion [AIB], identified the arrested rebels as Paul Carino, alias Comrade Jun, and Juanito Basalio, alias Comrade Manginayad. Both are members of the South Detachment Command of the NPA Regional Guerrilla Unit led by Cursio (Ganimal), alias Comrade Prival, which operates in barangays in Ilocos Sur, Abra, and Mountain Provinces.

In his report to Colonel Rene Dado, 702nd Infantry Brigade commander, Colonel Palparan said the clash occurred when the men of the 24th AIB task force, while conducting their usual surveillance rounds, stumbled upon the group of armed communist rebels in Sitio Sabean, Agao, Bisao, Mountain Province.

The clash lasted 55 minutes and ended after government troops took the advantage and the rebels began to flee. A search was immediately conducted in the area, resulting in the arrest of the two rebels who were hiding in the nearby bushes.

Recovered from the arrested rebels were: an M16 rifle with six magazines, an ICOM hand held radio, a homemade 12-gauge shotgun, subversive documents, and personal belongings.

No government casualties were reported.

Two NPA Rebels Killed

HK1712055591 Quezon City ABS-CBN Broadcasting Corporation DZMM in Tagalog 0400 GMT 17 Dec 91

[By Henry Umaga Diaz in Camp Crame]

[Text] Two members of the Communist Party of the Philippines-New People's Army [NPA] have been killed in separate encounters with the military in Cebu and South Cotabato.

The first encounter occurred in Barangay Upper Matinawan, Carmen, Cebu when the Philippine National Police [PNP] sighted a group of NPA rebels. The slain rebel was identified as Susano Decad.

Meanwhile, the PNP also encountered about 80 NPA in Barangay Anahay, Tula, South Cotabato while patrolling the area. Fighting ensued which lasted 20 minutes and resulted in the death of a NPA rebel who has yet to be identified. A joint PNP and Philippine Army force has launched a pursuit operation in the area.

2 Policemen, 3 Civilians Killed

HK1812100991 Manila DZXL Radio Mindanao Network in Tagalog 0700 GMT 8 Dec 91

[By Ronald Estella of DZXL Unit 20]

[Text] Two policemen and three civilians were killed in an ambush by New People's Army rebels in Oriental Mindoro. The slain authorities were identified as Special Police Officer [SPO] 4 Mambayil and SPO1 Alexander Lagares; while the civilians were not identified in the report received by the Philippine National Police [PNP] headquarters in Camp Crame. Apart from the two slain policemen, four others were also seriously wounded in the ambush.

It was learned from a report, released by Camp Crame through the PNP, that the policemen were riding in a patrol jeep, together with some civilian hitchhikers, when they were ambushed by an undetermined number of communist rebels in Barangay Balete, Gloria, Oriental Mindoro.

Soldiers Killed in Agusan Ambushes

HK1612050391 Quezon City MALAYA in English 16 Dec 91 p 6

[Text] Suspected communist insurgents over the weekend killed four Army soldiers and wounded four others in separate ambuscades in Prosperidad town in Agusan del Sur.

Military officials in the province withheld the names of the fatalities, all members of the 36th Infantry Battalion based in Prosperidad. The wounded troopers are now recuperating at the Agusan del Sur provincial hospital.

Camp Crame said government troopers led by an Army captain were on combat patrol at the deeply-forested

area in Sitio Mipil, Barangay Lucena, Prosperidnd when they were ambushed by an undetermined number of New People's Army guerillas at about 5 p.m. Friday.

Military Kills Communist Rebel Leader

HK1912045591 Manila MANILA BULLETIN in English 19 Dec 91 p 8

[By Bong Reblando]

[Text] General Santos City—A woman rebel commander was killed in a clash with a group of policemen, CAFGU [Citizens Armed Forces Geographical Unit] members and Army troopers last Sunday in Lake Sebu, South Cotabato while eight other insurgents were captured, Superintendent Rosendo Joaquin, South Cotabato provincial director, reported yesterday.

Joaquin identified the slain amazon as "Ka [Comrade] Marlyn," a former student of the Norte Dame Marbel College in Koronadal, South Cotabato. Marlyn belonged to Front 73 of the Communist Party of the Philippines-New People's Army (CPP-NPA). She died on the spot.

Another woman rebel commander, Nenita Fernandez, alias "Nenita dela Cruz" or "Kumander [Commander] Nenet," of Dipolog City, and seven other rebels were captured by elements of the 547th Army Engineering Battalion in nearby barangay Tasiman, Lake Sebu.

He said two T'boli civilians—Simangay Glam, 47, and Nga Bon Gayan, 25—were also killed when they were hit in the crossfire.

Joaquin said the troopers who acted as a blocking force in sitio Matuloy, barangay Lamdalag, Lake Sebu clashed with some 40 armed rebels.

In the hour-long gunbattle that ensued, Joaquin said, Army Sgt. Rodolfo Rafael who led the CAFGU company and CAFGU member Maro Homsalic were wounded.

Abrogatation of Taiwan Fishing Pact Possible

HK2012034591 Manila PHILIPPINES NEWSDAY in English 20 Dec 91 p 3

[By Arthur I. Bariuad]

[Text] The Philippines may abrogate the sea lanes agreement signed between Manila and Taipei in July this year should the incidence of illegal poaching by Taiwanese fishing vessels continue in the country's territorial waters, Assistant Executive Secretary Roberto Rafael Lucila said yesterday.

This developed even as Filipino fisherman warned if matters do not change and if they are continually deprived of their source of livelihood because of the Taiwanese vessels the fishermen would take matters into their own hands.

"If the continuous violation of the agreement, if the conditions of the sea lanes would be there, there is no point in continuing the agreement," Lucila said in the regular month forum Kamayan sa Kalikasan [hand-in-hand for nature] sponsored by the Communicators' League for Environmental Action and Restoration (CLEAR).

Lucila who chaired the Philippine panel that negotiated the highly-controversial fisheries agreement with Taiwan, said, however, that as a first measure, the government should reactivate the South China Seas Fisheries Disputes Committee (SCSFDC) to serve as a formal forum to present documented incidences of Taiwanese poaching.

"We have to reactivate first the SCSFDC, and the agreement that we signed may be revoked or the sea lanes may be closed if there is clear violation of the sea lane agreement," he said.

According to Lucila the primordial consideration why the Philippine government entered into an agreement with Taiwan was to address the problem of Taiwanese fishing in the country's waters and if that would be violated, then the agreement would be rendered useless.

Local fishermen in Bolinao, Pangasinan have in the past reported increasing incidence of Taiwanese poaching.

William Madjus, spokesman of the fishermen, said the "incidence of poaching increased when the (sea lanes) agreement was signed."

The report was corroborated by the records of the Philippine Navy which had apprehended four Taiwanese fishing vessels inside Philippine waters in just a week.

According to Lt. Michael Angelo Patrick M. Asperin, spokesman of the Philippine Navy, the four vessels which were apprehended from November 22 to November 27 were loaded with assorted fish and bangus [milk fish] fingerlings.

All four fishing vessels are now in the custody of the Coast Guard.

Following is the summary of apprehensions of Taiwanese fishing vessels released by the Philippine Navy.

Nov. 22: 9:30 a.m.—apprehensions of Taiwanese fishing vessel with five crew members caught with 35 kilograms of assorted fish and 2,000 bangus fingerlings;

11:45 a.m.—apprehension of a Taiwanese fishing boat with six crew members with 260 kg of assorted fish and 3,000 bangus fingerlings;

(Both vessels were turned over to the Coast Guard in Palawan. Proper charges have already been filed in appropriate courts.)

Nov. 23: 11 p.m.—apprehension of a Taiwanese fishing boat with five Taiwanese nationals on board, who were fishing off Dibarin Island, Calayan, Cagayan. The vessel was chartered by an unidentified fishing corporation at

Ermita Center Building at No. 1350, Roxas Boulevard, Manila; it is now under the custody of the Coast Guard station in Aparri, Cagayan.

Nov. 27: 12 p.m.—apprehension of a Taiwanese fishing boat with 10 Taiwanese natioanls who were arrested by elements of the Coast Guard Detachment in Bolinao, Pangasinan and the CAFGU [Citizens Armed Forces Geographical Units] seaborne patrol; the captain of the vessel presented documents (entry permit) allegedly signed by DFA [Department of Foreign Affairs]-Assistant Secretary for Intelligence and Security Vicente Perez; the vessel was loaded with 1,970 cartons of garlic; the master of the vessel is now in Bolinao for proper disposition.

Madjus revealed during the forum that the Taiwanese fishing vessels were costing the Filipino fishermen a lot of money in terms of fishing equipment lost.

He said the fishermen in the waters of Zambales used a manmade fishing sanctuary known as payaw to lure fish with. The equipment, he said, cost the fishermen around P50,000 [Philippine Peso], and consisted of synethetic rope, drums, and cement.

Madjus said Taiwanese vessels illegally and indiscriminately passing through and fishing in the Zambales waters had caused the damage of the payaw set up by Filipino fishermen there. He said "not only thousands but millions of pesos have already been lost because of the Taiwanese."

Madjus assailed the government for not enforcing the fisheries agreement. He said "if the government does not do anything (about the violations by the Taiwanese), we fishermen will some day do something about it."

Thailand

United States To Finish Copyright Investigation

Envoy to U.S., Official Comment

BK2012010191 Bangkok BANGKOK POST in English 20 Dec 91 p 1

[Excerpts] The United States Trade Representative [USTR] announced yesterday it will terminate its investigation of Thailand's protection of US copyrights.

The announcement came a day after Prime Minister Anan Panyarachun met with US President George Bush in the Oval Office.

USTR Ambassador Carla Hills cited as reasons for the USTR's decision Thailand's recent actions and the commitment of Mr Anan's Government to improving and strengthening copyright laws and enforcement.

However, the US will continue to monitor Thai implementation of its copyright enforcement measures under Section 306 of the Trade Act. The USTR will evaluate its progress in April 1992 when foreign intellectual property rights practices are reviewed under the Special 301 provision as required by; the Trade and Competitiveness Act of 1988.

The Prime Minister was informed of the USTR decision on Wednesday morning in Los Angeles, the last leg of his US trip. Ambassador Hills attended the meeting that Mr Anan had with Bush at the White House and a luncheon that the President hosted for the Premier.

It seems clear that the new tone and attitude that Thai negotiators took under Prime Minister Anan's direction was a key factor in the USTR decision. The Prime Minister's visit to Washington appears to have reinforced the positive outcome of the negotiations.

When asked about the decision, Prime Minister Anan responded that Thailand should continue to improve its copyright protection.

Thai ambassador M.L. Phiraphong Kasemsi, who was in Los Angeles with the Prime Minister, told the BANGKOK POST that the decision presages improved Thai-US trade relations.

He cautioned, however, that the problems have not been eliminated entirely since Thailand is still being monitored by the USTR. He said the favourable decision was a result of the Prime Minister's visit, and that the joint efforts of the Thai administration, legislature, private sector and public had made progress possible in copyright protection. [passage omitted]

Deputy Permanent Secretary for Commerce Kroekkrai Chiraphaet said Thailand's copyright protection is not aimed only at accommodating US demands.

It is also aimed at protecting Thai copyrights, such as for music tapes which are extensively violated in Laos and Los Angeles, California

He said Thailand has demonstrated its sincerity by arresting more than 88 people for copyright violation since March.

Seminars have also been organised to teach local businessmen about the importance of copyright protection. The legal process has been cut to make prosecution of violators easier.

Meanwhile, the deputy permanent secretary said that whether Thailand will be removed from the USTR's PFC [Priority Foreign Country] list depend on deliberation of the patent bill by the National Legislative Assembly in Bangkok.

Cabinet, Officials Express 'Elation'

BK2012021591 Bangkok THE NATION in English 20 Dec 91 p B1, B12

[Text] Several Cabinet members and representatives of the private sector have expressed elation at news that the

United States has terminated its investigation of Thailand's enforcement of American copyrights, averting the threat of retaliation against Thai exports.

Deputy Commerce Minister MR Pridiyathon Thewakun said yesterday that he welcomed the US Trade Representative [USTR] Carla Hills' decison on Wednesday, saying that the government's attempts to improve copyright law enforcement has borne fruit.

Thai exports worth US$500 million were under threat from Washington since the USTR last April listed Thailand as one of the countries that failed to provide adequate and sufficient protection to American intellectual property rights.

The designation has caused much uneasiness in the Thai export sector for fear that top export items such as gems and jewelleries, toys, artificial flowers, textiles and garments would face retaliatory measures such as rising tariffs and quotas as a result of inadequate intellectual property rights protection.

According to Pridiyathon, the termination of the investigation on copyright law enforcement would brighten the trade prospects between Thailand and the US as the private sectors of both countries will regain confidence to trade.

He expected the positive outcome of the copyright case to have a favourable impact on the determination of the USTR on the parallel investigation on pharmaceutical patents which was filed by the US Pharmaceutical Manufacturers Association on March 15, 1991.

The USTR's decision on the case is due by the middle of March. At present, both sides are holding consultations to improve the patent protection here.

The government has already submitted the amendment of the 1979 Patent Act to the National Legislative Assembly. A scrutinizing committee has been set up to debate the draft legislation in the second reading. The amendment seeks to extend protection to pharmaceuticals and their active ingredients among other things to meet the US demand.

Failure to protect pharmaceutical patents adequately would result in Thailand's export being sanctioned as well.

Pridiyathon attributed the positive outcome of the determination on the case to Prime Minister Anan Panyarachun's current visit to the US during which he met with President George Bush.

Kroekkrai Chiraphaet, deputy permanent secretary of commerce, who is the country's chief negotiator with the US on intellectual property issue, was more realistic about the implications of the USTR's decision.

He said although the US dropped the case against Thailand on copyrights enforcement, it continued to monitor the implementation and evaluate the progress next April under a special 301 legislation.

Under Section 301, the US administration must annually review foreign intellectual property rights practices and negotiate improved protection for US copyrights, trademarks, patents and trade secrets where protection is found to be inadequate.

Moreover, the outstanding patent dispute with the US also provides an opportunity for Washington to threaten Thailand with trade retaliation if an alleged failure to protect patents sufficiently was substantiated by the USTR investigation, Koekkrai added.

The Thai government has set up a committee involving related agencies including the Police Department, the Public Prosecutors' Department and the Ministry of Education to curb piracy of foreign copyrighted works.

Since March this year, 84 infringers of original audio and video works were arrested, Kroekkrai said.

He reiterated Pridiyathon's comment that the improvement in intellectual property rights protection was in Thailand's own interest, and that it was not forced to do so by major trading partners.

Agriculture Minister Anat Aphraphirom and his two deputies also welcomed Washington's decision although the trade threat did not harm nor help Thai farm exports in particular.

They said the termination of the investigation has defused tension between the two countries, enabling the private sectors to resume commercial activities which have partially been affected by the US threat.

Lt Col Rathwit Saenthaweesook of the Economic Crime Suppression Division said six major producers of pirated audio and video works were arrested and their equipment confiscated.

He said so far the police have been working closely with copyright owners to take action against pirates and would continue to do so in the future despite the termination of the investigation.

In the past, there was lack of awareness and understanding between the two sides over the copyrights enforcement here, he said, adding that both sides have already come to a common understanding on the importance of copyrights and how the Thai police and the court systems work.

Chareongchai Wong-araya who represents local music tape producers in negotiations with foreign copyright owners said that he was satisfied with the outcome of the copyright case, but warned that if original tapes are sold in Thailand at exorbitant prices, consumers might turn to cheap pirated tapes again.

At present, original music tapes are sold between Bt80-100 while pirated ones are available at Bt25-35 each.

Charoengchai said Bt60 each is an appropriate price, saying the production cost averages at only Bt15 each, excluding royalties and agency fees.

Editorial Examines 'Degree of Progress'

BK2012013591 Bangkok BANGKOK POST in English 20 Dec 91 p 4

[Editorial: "Despite Bush's Warmth, a Hint of Chill Remains]

[Text] The impression painted by press spokesmen on both sides of the meeting between Thai Prime Minister Anan Panyarachun and US President George Bush portrayed an exceptional warmth and friendliness. That the two started addressing each other by their first names a short way into the discussion was hardly surprising in light of their close acquaintance dating back to the days when the Thai Premier was ambassador to Washington. The positive outcome from the Anan-Bush meeting was further boosted by the United States Trade Representative's (USTR) announcement yesterday to terminate investigation into Thailand's copyright protection activities and policy under Section 301 of the US Trade Act. It is clear Thai-US relations have warmed as a result of Mr Anan's visit.

But the latest USTR action does not remove all possibilities of eventual US trade retaliation against Thailand. Washington in essence has acknowledged that there has been some progress in Thailand in the protection of US-copyrighted worked but the progress is not considered adequate to warrant the removal of this country from its "priority foreign country" (PFC) watchlist. More importantly, another USTR investigation into alleged Thai violation of US pharmaceutical patents is still proceeding. Whether Bangkok in the end will be removed from its present vulnerable position will be known by next April.

Friction arising from these trade disputes over the last few years has constituted an unfortunate scar on the otherwise largely favourable relationship between the two countries. There can be no question that Thailand is "friendly" to the US in most other senses of the word. Aside from sizable bilateral trade and investment flows, this country has been extending full cooperation to the US on other crucial matters such as narcotics suppression and Indochinese-refugee matters. Bangkok has also gone out of its way to accommodate specific US requests of significant ramifications, such as granting permission for US aircraft to use the U-tapao naval airbase facilities during the Gulf crisis. Against this background, the intermittent threats of trade retaliation against Thailand can only be seen as unfriendly and hence unacceptable. And the US designation of the PFC status for Thailand, which lumps this country together with India and China, is a dubious distinction which Thailand can well do without. Indeed, by what possible yardstick can Thailand be measurably accorded the same status as India and China which have traditionally been as far from being "friendly" to Washington as Thailand has been "positive" in its relations? The US law which calls for across-the-board treatment by the USTR to initiate investigations against countries alleged by US industries is too rigid, one-sided and should be made fairer and more flexible. It stands to reason that those countries enjoying a special relationship with the US should be accorded more favourable and equitable treatment.

While two wrongs cannot make a right, it might be timely to remind those Hollywood moguls who raised such a hue-and-cry against breaches of video copyright in Thailand that the ban they placed on allowing any major foreign movie to be shown here from 1977-82 because of a tax tiff was largely responsible for creating the early boom in the video market and ensuring its popularity in subsequent years. A clear case of action and reaction, and if the Motion Picture Association of America chooses to gloss over its past ill-treatment of Thai cinemagoers then the USTR investigators shouldn't. A fair attitude meants acceptance that there are two sides to every question and that this is an ideal to which more than mere lip service should be paid.

All nations—Thailand included—have the duty and responsibility to honour intellectual property rights. Thailand is already committed and taking action over this but the degree of progress has to be in line with our own political and economic conditions. In such a delicate situation, the animosity created by threats of trade retaliation—or anything else—can only do more harm than good.

Acting Premier Phao Receives PRC Delegation

BK1912153391 Bangkok XING XIAN RIBAO in Chinese 19 Dec 91 p 7

[Text] An industry, commerce, and economic observation delegation from the Chinese Sichuan Province led by Liao Bokang is on a visit to Thailand. At 0900 on 18 Decebmer, the delegation, accompanied by Thai-Chinese Chamber of Commerce Chairman Zheng Minru, Secretary Ding Jiajun, Committee Member Zhuang Mingzhou, Adviser Chen Shuzhong, and Golden Triangle Real Estate Company Manager Yu Daoxia, paid a courtesy call on Acting Prime Minister Phao Sarasin at Government House. The acting prime minister accorded a warm reception to the delegation.

Minister Denies Logging Transport Through Forest

BK1912021391 Bangkok THE NATION in English 19 Dec 91 p A3

[Text] Agriculture Minister Anat Apaphirom yesterday ruled out the possibility that private companies would be allowed to transport logs from Cambodia through a wildlife sanctuary and a forest reserve in Si Sa Ket.

Anat said the Wildlife Sanctuary Act precluded the use of designated wildlife sanctuaries for commercial purposes and even the prime minister and the Cabinet were not authorized to order the Forestry Department to approve the log haulage.

"If it were allowed, everybody from the prime minister down would be held responsible for the wrongdoing," the minister said.

Four logging firms have the support of the Interior Ministry and Second Army Region's Suranaree Task Force in seeking permission to use a 15-km stretch of road through Huay Sala Wildlife Sanctuary and an adjacent forest reserve to haul timber from recently-won concessions inside Cambodia.

The companies are P.C. Udon Supply Co, Surin Thanapong Construction Limited Partnership, M.L. 33 Co, and Kukhan Arunsawat Limited Partnership.

The use of the road described as "the only safe route" was recommended by the Suranaree Task Force which is in charge of border security in the northeastern province. The task force, in a recent letter to the Si Sa Ket governor, reasoned that hauling the logs through other routes would expose workers to landmines along the Thai-Cambodian border.

But Forest Department officials are worried that the firms would take advantage of the opportunity to fell trees along the 15-km trail through the wildlife sanctuary and forest reserve.

According to Forestry Department sources, Niphon Sanguanyat, chief of the Huay Sala Wildlife Sanctuary, had been threatened and under pressure to facilitate the log transport.

The sources said they believe the logging companies would insist on using the controversial route because other roads were in disrepair.

The Interior Ministry has also sent a letter to the Forestry Department's Wildlife Sanctuary Division to seek permission on behalf of the logging firms.

But Anat said he had not received any request seeking permission for the use of the route.

"The logging companies could use the route only if the Cabinet issued a royal decree to redesignate the wildlife sanctuary and forest reserve," the minister said. "But it is impossible because we will not do that just to allow them to haul their logs."

Deputy Defense Minister Defends Land Development

BK2012022391 Bangkok BANGKOK POST in English 20 Dec 91 p 6

[Text] Deputy Defence Minister Gen Wimon Wongwanit yesterday said the armed forces' land development plan was meant only to improve their personnel's welfare.

His remarks followed the Economic Screening Committee's rejection on Wednesday of the Defence Ministry-sponsored bill seeking to amend the Defence Regulation Act to allow development of the armed services' real estate into "industrial enterprises".

Gen Wimon said the bill was aimed at promoting agro-industrial businesses operated by former military personnel.

Gen Vimon, who is concurrently a deputy supreme commander, said non-commissioned officers may produce ice or drinking water for sale to supplement their welfare.

Asked if the Second Cavalry Division's land in Sanam Pao area was targeted for sale under the revised Act, Gen Wimon said no piece of the armed forces' land was to be sold or leased out to any investors. But he added that the armed forces should be allowed to make "optimum use" of their own land and other resources.

For example, he said, the Naval Dockyard Department might repair not only the Navy's ships but also those which belonged to others.

Gen Wimon said plans to relocate the Second Cavalry Division or any other military installation were aimed at alleviating Bangkok's traffic problems.

The armed forces are to coordinate with the Real Estate Division of the Finance Ministry's Treasury Department on construction of new installations.

Asked about criticisms that the sale of the cavalry unit's land might lead to corruption among senior military officers dealing with private investors, Gen Wimon said no officers would try to make personal gains at the expense of their subordinates.

Gen Wimon said the rejection of the bill was not related to the Defence Regulation Act which, he said, seeks to make profits from the resources of the armed service.

NLA President on Approving Premier Appointment

BK2012071491 Bangkok Radio Thailand Network in Thai 0530 GMT 20 Dec 91

[Text] National Legislative Assembly President Ukrit Mongkhonnawin explained this morning that there should be no problem concerning who will countersign the appointment of the prime minister after the coming election. He said the president of the House of Representative will have to be the person who countersigns the appointment of the prime minister after the general election. A contentious issue could arise, however, if the new prime minister who has been given a royal appointment does not form a government right away and the cabinet does not assume its duties, resulting in a gap. In that case the current cabinet would have to perform its duties until the new cabinet takes over. If there were to be a political accident which causes the present prime minister and the acting cabinet to resign, the country

would be without a government. The Constitution's provisional clause, therefore, gives power to the chairman of the National Peacekeeping Council [NPKC] to countersign the prime minister's appointment. This could only happen in the event of such a political accident.

The National Legislative Assembly president added that there are good reasons for the NPKC chairman to keep the authority to countersign the appointment of the prime minister after the election. He assured that only the president of the House of Representatives would have that authority in compliance with the Constitution's intention and the democratic administrative system.

Former Solidarity Member Forms New Party

BK2012014391 Bangkok BANGKOK POST in English 20 Dec 91 p 3

[Text] Former Phayao MP for the Solidarity Party Chaweng Wongyai said yesterday he is now acting leader of a political party named Kaset Seri.

Kaset Seri Party is a combination of the Thai Agro-Industry Party and two other small parties, he said.

Anan Buranawanit, former secretary-general of Thai Agro-Industry, is now acting secretary-general of Kast Seri.

Mr Chaweng said the party will ask former Lampang MP Buntheng Thongsawat to be party leader.

He claimed his party has 30 former MPs and provincial councillors as members.

PDP, NAP, Solidarity Parties Form Alliance

BK2012020791 Bangkok BANGKOK POST in English 20 Dec 91 p 1

[Text] Phalang Tham [PDP], New Aspiration [NAP] and Solidarity parties have agreed to form a political alliance aimed at promoting democracy and the quality of politicians.

The decision was announced yesterday by PDP and Solidarity leaders Chamlong Simuang and Bunchu Rotchanasathian after a meeting at the Bangkok Metropolitan Administration headquarters.

However, the tripartite alliance will not be a political front to jointly campaign for Lower House seats in the general election, they said.

Each party will independently campaign for votes in the general election, Mr Bunchu and Maj-Gen Chamlong said.

They said PDP, NAP and the Solidarity will cooperate to raise the quality of politicians, amend the Constitution to "make it more democratic" and to push for more decentralisation.

The cooperation will continue even if any of the alliance members join the next coalition government.

Mr Bunchu said the three parties agreed to form an alliance because they share the same political thinking and because of past cooperation in the campaign against "undemocratic elements in the Constitution."

Asked why the alliance does not include the Democrat Party, which also took part in the campaign against the draft Constitution, Mr Bunchu said that other parties which share the same ideology are welcome.

The three parties will set up a committee to coordinate activities and meetings.

Asked by reporters if he had encouraged Maj-Gen Chamlong to stand for election, Mr Bunchu said he did not need to because he was confident the Bangkok governor will do so.

"The PDP will have a longer and more promising future if Maj-Gen Chamlong stands for election," Mr Bunchu said.

Vietnam

MIA Specialists Meet With U.S. Counterparts

BK1912163191 Hanoi VNA in English 1554 GMT 19 Dec 91

[Text] Hanoi VNA Dec.19—Vietnamese and American specialists met here today to discuss how to continue settling the issue of the Americans missing in action (MIA) in the Vietnam war in the direction agreed at a recent meeting between Foreign Minister Nguyen Manh Cam and General John Vessey, special emissary of the US president.

The two sides described the meeting as useful and constructive.

Earlier, on December 17, a tripartite meeting between Laos, Vietnam and the US was held in Vientiane to discuss a programme for joint research for Americans reported missing at the Lao-Vietnamese border area.

U.S. Lifting of Ban on Tourist Trips Noted

BK1912114091 Hanoi Voice of Vietnam in English 1000 GMT 19 Dec 91

[Text] The U.S. Administration has lifted a ban on tourists to Vietnam. The lifting is part of measures to let loose the embargo imposed on Vietnam by the U.S. since 1975. The ban had not allowed U.S. travel agencies to organize trips to Vietnam for a number of Americans, but American citizens can arrange their trips to Vietnam through a third country, usually Thailand.

Cambodian Resolution To Enable Opening to World

BK1912173291 Hong Kong AFP in English 1303 GMT 19 Dec 91

[Text] Hanoi, Dec 19 (AFP)—Resolution of the Cambodian conflict will allow Vietnam to launch a new foreign policy of opening to the outside world, a Vietnamese Government spokeswoman said here Thursday.

The agreement ending Combodia's 13-year civil war marks "a new, favorable period for Vietnam to begin a foreign policy of broad opening, friendship and cooperation with all countries, including neighbors," Foreign Ministry spokeswoman Ho The Lan said.

Vietnam invaded Cambodia in December 1978 to topple the Khmer Rouge from power.

The invasion aggravated Hanoi's isolation as well as that of the client government it installed in Phnom Penh, which was recognized only by Vietnam's patron, the Soviet Union, its East European allies and India.

"We respect the right of self-determination of Cambodia, which we consider an internal affair," the spokeswoman said, adding that Vietnam "supports national reconciliation" in Cambodia.

The warring Cambodian factions signed an agreement in Paris on October 23 envisaging the installation in Phnom Penh of the Supreme National Council (SNC), which groups representatives of the Phnom Penh Government and each of three guerrilla resistance factions.

It was in this spirit, Lan said, that Vietnam's foreign minister was to visit Phnom Penh from December 23-26 at the invitation of Prince Norodom Sihanouk, "head of state and president of the SNC."

The former monarch, who led the Cambodian guerrilla resistance for nearly 13 years, was recognized as head of state of all Cambodia by the Phnom Penh Government a few days after he returned to the country's capital one month ago.

Khmer Rouge Capture of 2-Star General Refuted

BK2012105091 Hanoi Voice of Vietnam in English 1000 GMT 20 Dec 91

[Text] Vietnam News Agency is authorized to reject a fabrication made by Radio Democratic Cambodia that the Khmer Rouge has captured Vietnamese officials and soldiers in central Cambodia. This is an ill-intentioned allegation. Since September 1989, all Vietnamese voluntary troops had pulled out of Cambodia.

North-South Korean Peace Agreement Welcomed

BK1912160191 Hanoi Voice of Vietnam Network in Vietnamese 1430 GMT 19 Dec 91

[Text] At a regular press conference held on 19 December 1991, Comrade Ho The Lan, head of the Foreign Ministry's Information and Press Department, commented on the 13 December signing of the Seoul Agreement by North and South Korea:

Vietnam welcomes North and South Korea's efforts to peacefully achieve national unification and views the 13 December 1991 signing of the Seoul agreement as a positive result achieved in this direction contributing to the stability of the Northeast Asian and Asia-Pacific regions.

Specialists, Troops Praised for Laos Performance

BK1812151391 Hanoi Voice of Vietnam Network in Vietnamese 1430 GMT 13 Dec 91

[Text] A ceremony was held on the afternoon of 13 December at the Embassy of the Lao People's Democratic Republic [LPDR] to confer the Freedom Order, Military Exploit Order, and other medals of the LPDR State on Vietnamese specialists and army volunteers who have satisfactorily fulfilled their internationalist duty for the Lao people's revolutionary undertaking.

Attending the ceremony were representatives of the party Central Committee Foreign Relations Department under the Ministry of Foreign Affairs and of other ministries which have sent their specialists on work assignment in the LPDR like the Ministries of National Defense, Energy, and Building. Also on hand were delegates from Hanoi Municipality.

After presenting these noble awards to representatives of Vietnamese specialists and Army volunteers on work assignment in Laos, Ambassador Khamphet Phengmeuang pointed out that the LPDR state highly valued the outstanding contributions that Vietnamese specialist and Army volunteers have made to Laos's just cause, and that these awards were proof of the special friendship between Laos and Vietnam and also an expression of the sincere gratitude of the Lao party, government, and people to the party, government, and fraternal people of Vietnam who have provided wholehearted support and valuable assistance to the cause of national liberation and construction in Laos.

On behalf of the Vietnamese award recipients, Comrade Phan Dam sincerely thanked the Lao party, government, and people for these valuable awards. He asserted that while discharging their new tasks, those Vietnamese specialists and Army volunteers who have once worked in Laos will do all they can to foster the special Vietnam-Laos friendship so that it may continue to last and develop with every passing day.

Institute Aids Laos in Agricultural Zoning

BK1912145091 Hanoi VNA in English 1417 GMT 19 Dec 91

[Text] Hanoi VNA December 19—The Vietnam Institute of Agriculture Planning and Designing and the College of Agriculture have been conducting basis surveys in four provinces in southern Laos to help Laos

design and build specialized zones for rice and short-term industrial crop growing under an agreement between the Vietnam Ministry of Agriculture and Foodstuff and the Lao Ministry of Agriculture and Forestry.

The Vietnamese scientific teams have particularly concentrated on the rice growing districts of Champassak Province to help them in agricultural zoning.

Official Trade Mission From Singapore To Visit

BK1812075791 Hanoi VNA in English 0611 GMT 18 Dec 91

[Text] Hanoi VNA Dec. 18—A trade mission is reported by KYODO to have left Singapore for Vietnam.

This will be the first official business mission from Singapore since that country normalized relations with Vietnam and lifted its ban on investment here by Singaporean businesses.

KYODO quotes an official of the Trade Development Board, Singapore's official trade promotion body, as saying that the 12-member group of government-linked companies of leading private firms will visit Hanoi and Ho Chi Minh City for five days.

The group will be looking into opportunities in petroleum and petroleum products, agricultural and marine products, upgrading of factories, banking, and commerce and general trading. The construction industry development board, a government agency, said it will meet with officials from any Vietnamese Government organisation interested in linking up with Singapore firms on overseas construction projects.

The delegation, led by board chairman Alan Yeo, will meet Vietnamese Minister for Trade and Tourism Le Van Kiet while in Hanoi.

Visits to the Ministry of Transport, Communictions and Posts, the Ministry of Agriculture and Food Industry, the Hanoi city people's committee, and the Council of Ministers are also scheduled, the oficial said.

Delegates will meet with the chairman of the people's committee of Ho Chi Minh City, the Vietnamese Chamber of Commerce, and major Vietnamese firms.

Although Singapore officially banned investments in Vietnam, trade has been allowed to flourish.

A month after Prime Minister Vo Van Kiet's visit to Singapore last November, when both sides agreed to open embassies, Singapore lifted investment sanctions on Vietnam.

Singapore agreed to end the investment ban after the signing of a peace accord last month ending nearly two decades of war in Cambodia.

Singapore's trade with Vietnam grew at a annual rate of 20 percent in the 1990's and reached more than 1 billion Singapore dollars [passage indistinct] last year—making Singapore one of Vietnam's biggest trade partners outside the former Council for Mutual Economic Assistance.

National Assembly Sessions Continue 19-20 Dec

19 Dec Session Views Corruption

BK2012101991 Hanoi Voice of Vietnam Network in Vietnamese 1100 GMT 19 Dec 91

[Text] Today, in the afternoon session, the National Assembly continued its heated debate on the struggle against corruption and smuggling at present and the measures to effectively combat these two negative social vices.

Fifteen National Assembly deputies expressed their views. These included Vu Thi Lien from Haiphong; Phan Quiang and Nguyen Hoa from Thai Binh; Vuong Nguyen Dan from Cuu Long; Nguyen Van Do from Quang Binh; Nguyen Van Phuoc from An Giang; Mrs. Ngo Ba Thanh, Tran Thien Tu, and Nguyen Thanh Lam from Ho Chi Minh City; Tran Trong Tan from Quiang Tri; Pham Huy Cuong from Nghe An; Huy Du from Ha Bac; Nguyen Sung Lang from Quang Ninh; Nguyen Hieu from Hai Hung; and Doan Van Nguy from Bac Thai.

Expressing his views, Phan Quang, National Assembly deputy from Thai Binh, pointed out the role of the press in the struggle against corruption and smuggling in particular and negativism in general. He also suggested a number of measures for the settlement of misunderstandings and disagreements between the mass media and various agencies, sectors, and law enforcement organs, which require dialogue to achieve unanimity.

Many deputies pointed to the absolute necessity of the struggle against corruption and unanimously agreed that it is necessary to resolutely and successfully carry out this struggle in order to regain the people's faith.

Deputy Dam Van Nguy from Bac Thai suggested that Hanoi, capital of the country, take the lead in this struggle. Many views expressed by other deputies pointed out the need to review many issues concerning mechanisms and policies.

Nguyen Hoa, deputy from Thai Binh, suggested that when the debate on the draft amendment to the Constitution is held in the days ahead, greater attention should be paid to fighting corruption and that this task should be specified in the Constitution, if necessary.

Many in their views pointed out that after carefully examining the various issues concerning mechanisms and policies and after these mechanisms and policies have been modified, all state agencies, from top to bottom, must scrupulously implement state laws.

Nguyen Van Sy, deputy from Gia Lai, suggested that an economic court be set up soon. Huy Du, deputy from Ha Bac, suggested that before the struggle against corruption is carried out, it is necessary to reexamine this bad

practice in all responsible agencies of the state and the Council of Ministers, such as the control organ and the Ministry of Interior, to purify the ranks of these agencies.

Concluding the afternoon session, National Assembly deputies voted by a majority in favor of passing a separate resolution of the current 10th session of the National Assembly on fighting corruption and smuggling. The National Assembly also voted by a majority in favor of a decision not to set up a special organ of the National Assembly to monitor this matter, but to assign the Council of Ministers and all of its responsible agencies to carry out the struggle against corruption and smuggling under the closer supervision of the National Assembly.

Tomorrow morning, the National Assembly will continue its work at the Conference Hall.

Deputies 'Visibly Upset'

BK2012074491 Hong Kong AFP in English 0657 GMT 20 Dec 91

[Text] Hanoi, Dec 20 (AFP)—Deputies in Vietnam's National Assembly slammed the government for failing to control corruption and called for tougher measures against the growing menace, the NHAN DAN reported Friday.

About 25 deputies speaking Thursday on the 10th day of the winter session said corruption was "serious and spreading" and could "provoke political instability," the Communist Party daily said.

"Corruption and smuggling are a danger to the regime," Phan Huu Phuc, from the southern province of Cuu Long, said.

Another deputy said: "We have taken steps to tackle the problem, but they are too little."

According to recent figures, corruption during the first year of the anti-corruption drive cost the state 1.9 billion dollars—just under the annual national budget—and 1.5 billion dongs (120 million dollars or triple the education budget).

Authorities penalised about 19,220 people for corruption during the same period.

The debate, viewed on television here, showed visibly upset deputies, calling for the launching of "resolute and serious measures."

Pham Nhu Cuong, from the central province of Nghe An, demanded that Communist Party Secretary General Do Muoi and Prime Minister Vo Van Kiet, who were both present, lead the anti-corruption drive.

He proposed, and was backed by others, that corruption cases be brought swiftly to justice to reassure a population losing confidence in authorities.

He proposed, according to the newspaper, selling party villas at Ho Chi Minh City, but dropping charges against former deputy forestry minister, Than Trung Hieu, accused of losing 10 billions dongs as well as a suspicious affair involving Health Ministry funds.

Deputies called for the creation of a special commission to fight corruption. This was was not approved by the assembly which did adopt a resolution about corruption at the end of the session.

Referring to causes of the problem, the deputies spoke of "deficiencies and faults" in state policies and economic management during the transformation to a market econoy.

They also accused some officials of using their positions for personal gain.

Communique No. 7 Issued

BK1912152791 Hanoi Voice of Vietnam Network in Vietnamese 1430 GMT 19 Dec 91

[Communique No. 7 of the Eight National Assembly's 10th Session]

[Text] On 19 December 1991, the National Assembly held a plenary session at the Conference Hall. National Assembly Vice Chairman Phung Van Tuu directed the session.

The National Assembly discussed a Council of Ministers report on the question of law enforcement and law violations and on the fight against corruption and smuggling.

Twenty-eight National Assembly deputies raised their views. They concentrated on evaluating the law enforcement situation, the actual state of law violations, the present bad practice of corruption and smuggling, the reasons for this and the major obstacles limiting the success of the fight against corruption and smuggling, and fundamental measures to be adopted by the Council of Ministers and law enforcement agencies if they are to intensify this struggle to meet the demands of citizens and the public.

The National Assembly will pass a resolution on fighting corruption and smuggling at its closing session.

On 20 December 1991, the National Assembly will meet at the Conference Hall.

20 Dec Morning Session Reported

BK2012065691 Hanoi Voice of Vietnam Network in Vietnamese 0500 GMT 20 Dec 91

[Text] This morning, 20 December, the 10th day of the current Eighth National Assembly's 10th session, the National Assembly heard members of the Council of Ministers answer questions raised by National Assembly deputies.

Comrades Hoang Quy, minister of finance; Tran Dinh Hoan, minister of labor, war invalids and social welfare; and Cao Sy Kiem, director general of the State Bank, took turns explaining basic issues brought up by these deputies. These are issues related to revenue contributions, expenditures, division of authority in financial management, transportation fees, proper wages for certain sectors, streamlining the administration, stabilization of the money situation, measures to control the prices of gold and the U.S. dollar, interest rates for saving accounts and fees on bank transmittance for business purpose, and some negative phenomena in the baking sector.

Many National Assembly deputies asked more questions on relevant issues and members of the Council of Ministers will provide answers in writing.

This afternoon, the National Assembly will continue its work at the Conference Hall in Hanoi to hear members of the Council of Ministers answering questions posed by the deputies.

Finance Minister Presents Report

BK2012125591 Hanci Voice of Vietnam Network in Vietnamese 1100 GMT 11 Dec 91

["Excerpts" from report read by Finance Minister Hoang Quy at 10 December session of the Eighth National Assembly—announcer read]

[Summary] Afer presenting a general picture of the sources of revenues, the report pointed out:

Regarding state budget contributions, internal revenues account for more than 117 percent of the plan norms, or an increase of 42 percent compared with 1990. Apart from being steady, the collection pace is expected to increase in the days ahead.

"Altogether, the state budget contributions from state enterprises have fulfilled 120 percent of the set target, or an increase of 77 percent compared with 1990. The state budget contributions from small industrial and handicraft sectors as well as from non-state service industries have fulfilled the set target. An increase of 57 percent over 1990 has been recorded. Agricultural taxes have fulfilled 145 percent of the set target, or an increase of 95 percent compared with 1990. Import-export and trade taxes have fulfilled 105 percent of the set target, or an increase of 58 percent compared with 1990."

Results of the implementation of the 1991 state budget reveal the following points:

—Internal revenues account for more than 95 percent of the state budget and constitute the main source of state budget contributions.

—Revenues from foreign sources account for nearly five percent of the state budget and are unstable.

—Revenues from important taxes from the Soviet Union and Eastern Europe have basically ceased.

—Many state enterprises have effected positive changes and have developed their roles in the new mechanism. Substantially high production output has been recorded, especially among state enterprises at the central level and in provinces and cities. A substantial increase in state budget contributions has also been recorded by crude oil production; power supply, and cement, fertilizer, steel, insecticide, tobacco, beer, paper, and sugar production.

—Compared with previous years, many localities and sectors have displayed a better sense of responsibility toward their obligations to the state budget. In addition, more experiences have been drawn from the revenue service and combined efforts have been made to promote tax obligation awareness and remedy tax collection shortfall.

—The provinces of Quang Ninh, Ha Bac, Thuan Hai, Khanh Hoa, An Giang, Dong Nai, Dong Thap, Song Be, and Minh Hai have done a relatively good job in collecting taxes from the non-state sector. Meanwhile, Ho Chi Minh City; Hanoi Municipality; Hai Phong City; and the provinces of Quang Nam-Da Nang, Thua Thien-Hue, and Hai Hung have failed to collect enough taxes from the non-state sector, thus affecting the implementation of the yearly tax collection plan.

—The revenue service and administrative organs at all levels have not satisfactorily implemented basic measures to fulfill the tax collection target. Cadres have undergone training but their professionalism remains far below the requirements. Many district, city ward, and village administrative organs continue to collect fees from local business households and keep the money to cover their own budget spendings, thus causing a substantial tax collection shortfall for the state budget. A major shortfall still exists in the collection of taxes imposed on vendors engaging in wholesale business trips, fisheries, forestry, slaughtering houses, liquor, foreign products, and so forth.

Regarding the rate of remittances of revenues to the 1991 state budget, only 18 percent of national revenues have been remitted to the state budget. Furthermore, in addition to taxes, many localities and sectors have imposed too many types of fees. "According to still incomplete reports filed by 16 provinces and six ministries, as many as 70 kinds of fees have been collected by the various ministries and localities. As an immediate objective, it is necessary to adopt resolute measures to overcome this chaotic situation and to keep the people informed of the types of taxes and official fees applicable in our country, thus enabling them to fulfill their tax obligation and supervise the implementation of the tax law by the various echelons and state agencies."

"In assessing the 1991 state budget revenues and spendings, the report pointed out: The handling of the 1991 financial and monetary affairs has proceeded in the right

direction. Many difficulties and limitations still develop in the course of actual work implementation. However, this right course of action will help make the national financial situation become healthier and contribute to checking inflation and stabilizing the socioeconomic situation."

The report continued: "The objectives of the 1992 financial and monetary management work are to tap more financial resources in and outside the country; make the most effective and most economical use of those resources to meet socioeconomic development needs and the requirements of national defense and security; improve part of the wage system; create more employment opportunities; gradually push back and curb inflation; create the environment and fundamental conditions for promoting business activities; and improve the people's living conditions."

The report stressed: "Taxes constitute the main source of the state budget revenues. Therefore, continued efforts are needed to perfect the tax law, strengthen the tax collection apparatus and the tax collection managerial mechanism to promote production and business transactions, and help the various business sectors with the accumulation of investment capital. At the same time, it is necessary to work out measures to increase the rate of state budget contributions to more than 20 percent compared with the gross national product."

Vo Van Kiet Receives Outgoing New Zealand Envoy

BK1912164391 Hanoi VNA in English 1608 GMT 19 Dec 91

[Text] Hanoi VNA Dec. 19—Chairman of the Council of Ministers Vo Van Kiet received here today outgoing New Zealand Ambassador Harle Freeman-Greene.

Speaking during the reception, the New Zealand ambassador said his country is prepared to cooperate with and assist Vietnam in training personnel and developing some handicrafts, including woolen carpets.

New Zealand is also ready to share experiences with Vietnam in agriculture and forestry, and create conditions for Vietnam to take part in cooperation programmes in the region, he added.

For his part, Chairman Vo Van Kiet welcomed the New Zealand Government's decision to improve relations with Vietnam and its provision of English training for Vietnamese personnel since 1990.

The chairman expressed his belief that the Vietnam-New Zealand relations would continue to develop in various fields on the basis of respect for each others sovereignty, equality and mutual benefit.

Vo Van Kiet Addresses Hanoi Children's Meeting

BK1912143591 Hanoi Vietnam Television Network in Vietnamese 1200 GMT 11 Dec 91

[Report on Council of Ministers Chairman Vo Van Kiet's speech at the 11 December Hanoi opening of a "national conference for the future of Vietnamese children"—Kiet's speech is partially recorded]

[Summary] "A national conference for the future of Vietnamese children was solemnly opened at the Vietnam-Soviet Cultural Palace of Friendship in Hanoi on the morning of 11 December.

"Attending the conference were Comrade Vo Chi Cong, chairman of the Council of State; Comrade Vo Van Kiet, chairman of the Council of Ministers; Comrade Nguyen Khanh, vice chairman of the Council of Ministers and chairman of the Vietnam Committee for Child Protection and Child Care; representatives of the UNICEF [United Nation International Children Emergency Fund], UNDP [United Nations Development Program], and various international organizations, members of diplomatic corps," and others.

In his opening speech, Chairman Vo Van Kiet said: "Children are a source of happiness for families and are the future of nations. The responsibility for the protection, care, and education of children rests with the state, with the entire society, and with every family."

He went on: [Begin Vo Van Kiet recording] "Dear comrades and friends: Despite economic difficulties, our state continues to give priority to the strategy for development of the country's human resources in which child care and child education constitute a most important issue.

"At this conference, we will discuss a plan for the deployment of various state laws and an action program of our government for the benefit of Vietnamese children. This is also part of an effort to honor our state's committment to the International Convention on the Rights of the Child.

"After this conference, various ministries, mass organizations, and sectors at the central and local levels should base themselves on those decisions of the National Assembly and the Council of Ministers in determining a specific program of action for each respective sector and locality. They should provide close guidance for the implementation of these programs and plans so the tasks of providing protection, care, and education of children can produce tangible results.

"For the happiness of every family and for the bright future of the Vietnamese fatherland, our compatriots at home and Vietnamese nationals abroad should take positive actions and make realistic contributions to the cause of protection, care, and education of children.

"I sincerely thank the UNICEF and other international organizations for having had many coordinated programs of assistance for Vietnamese children.

"On behalf of the SRV Council of Ministers, I declare the 'For Vietnamese Children' National Conference open." [applause] [end recording]

At the opening session, Mr. Nguyen Khanh, vice chairman of the Council of Ministers and chairman of the Vietnam Committee for Child Protection and for Child Care, delivered a report, rounding up the implementation of a decree on the protection, care, and education of children and a national program of action for children.

The report points out: "Over the years, the sense of law-abiding and the sense of responsibility of each individual, of each collective, and of the people as a whole have been gradually improved. Everyone is aware that protecting, caring for, and educating children are not only a traditional moral responsibility but also a legal duty toward children at present and the fatherland in the future. It is because of this that each individual, each household, each sector, and each echelon should give priority and good treatment to children, and especially to pregnant mothers or mothers with infants. Caring for mothers and children is now no longer a job that each family or each individual can do at will or in a spontaneous fashion. Rather, it has become a collective work organized in a voluntary, widespread, and synchronized fashion with closely coordinated and unified leadership and guidance from the state. Vietnam has always positively responded to and has, in its own initiative, participated in various international activities for children. Vietnam is the first in Asia and the second in the world to have ratified the United Nations' International Convention on the Rights of the Child."

After pointing out some weaknesses in the task regarding child care and child protection, Vice Chairman Nguyen Khanh discussed the general objectives of this task to be achieved between now and the year 2000 which consists of maintaining the health of children, guaranteeing elementary education for children, caring for the cultural and spiritual life for all chidren, and paying attention to those children who are facing particularly difficult situations.

The report also cites many measures to be adopted by various echelons, sectors, and mass organizations from the central down to local levels to satisfactorily carry out the task regarding the protection, care, and education of children.

Nong Duc Manh Attends Son La Province Congress

BK1812154191 Hanoi Voice of Vietnam Network in Vietnamese 2330 GMT 13 Dec 91

[Text] On 10-13 December 1991, the Son La Province Party Committee held its ninth second-round party congress. Comrade Nong Duc Manh, member of the party political bureau addressed the congress.

From the practical experiences and conditions of the province, the congress outlined major orientations and tasks for 1991-1995. The province aims to stabilize and improve the socioeconomic situation, make bigger changes in commodity production, and create a new atmosphere for production. It also plans to significantly reduce poverty while rapidly increase the number of wealthy families among the ethnic minorities. It is determined to improve the people's intellectual standards, strengthen unity between ethnic minorities, maintain national defense and security, stabilize politics, and improve socialist democracy and social values. The province will concentrate on fighting negativism, corruption, and social injustice and creating conditions for better development in the following years.

The congress elected 47 comrades to the executive committee of the provincial party committee and Comrade Nguyen Van An, member of the party Central Committee was elected as secretary of the Son La Party Committee.

Australia

New Prime Minister Paul Keating Sworn In

BK2012070091 Melbourne Radio Australia in English 0500 GMT 20 Dec 91

[Text] Australia's new Prime Minister Paul Keating has been officially sworn in by the governor general, Bill Hayden. Mr. Keating is now holding his first meeting with his ministers, as Tony Hastings reports from Canberra:

[Begin Hastings recording] Mr. Keating has indicated that he will be delighted to work with the present deputy prime minister, Brian Howe. On a prospect of a cabinet reshuffle, he said ministerial positions will not be declared vacant en masse. But the new prime minister said he would be spending time over the Christmas and New Year period thinking about which minister should hold portfolios. He has also indicated that he will be making a major economic statement in the new year. [end recording]

Official Condemns Repression by Burmese Regime

BK1912102291 Melbourne Radio Australia in English 0500 GMT 19 Dec 91

[Text] Australia has condemned what it calls the latest repressive efforts of Burma's military regime to stifle the desire of the Burmese people for democratic reform. In a statement released in Canberra, the Acting Foreign Affairs Minister Neil Blewitt said Australia deplored the arrest of students after a pro-democracy demonstration at Rangoon University last week. He said the fact that the demonstration took place despite enormous pressure from the military authorities showed the desire for democratic reform in Burma.

Dr Blewitt said Australia also deeply regretted the expulsion of Aung San Suu Kyi from Burma's National League for Democracy. He said the expulsion of the former party leader and Nobel Prize winner was apparently carried out under a threat of deregistration of the party.

Cypriot President Says Visit 'Very Successful'

NC1912091891 Nicosia O FILELEVTHEROS in Greek 19 Dec 91 p 4

[Text] President Yeoryios Vasiliou concluded his visit to Australia yesterday and will return to Cyprus today. Before his departure, Vasiliou visited Governor of South Australia Dame Roma Mitchel.

In an address to Cypriots living in Adelaide, South Australia the day before yesterday, Vasiliou said his trip to Australia was very successful. He said this is because he was able to hold long talks with Prime Minister Robert Hawke, the members of his government, the prime ministers [as published] of Victoria, New South Wales, and South Australia, as well as with a large number of political leaders and personalities. Vasiliou stated that he found understanding among all of them.

Vasiliou said: Hawke stressed that he will include the Cyprus issue on the talks agenda during the U.S. President's upcoming visit to Australia.

Vasiliou continued: Hawke is certain that the other political leaders will raise the Cyprus issue in their meetings with President Bush, because they agree that the solution of the Cyprus issue is the litmus test of the new international order. The same principles on which the new international order is based are the same on which the Cyprus issue will be solved.

The president said a social insurances agreement was reached as a result of his visit. He said: Bilateral economic relations were discussed and further promotion of mutual interests agreed.

Vasiliou said: The other goal of the visit was to contact Cypriots living in Australia.

Referring to the Cyprus issue, Vasiliou said that it is an international one. He added: The Cyprus issue was discussed between the presidents of two superpowers, and Bush himself repeated after his meeting with Greek Prime Minister Konstandinos Mitsotakis a few days ago that he wants to be a catalyst in the issue.

The president said we are on the right track, because we first of all have convinced the whole world of our goodwill and determination. This is the reality, and everyone has realized the Turkish intransigence. The international community is convinced that the Cyprus issue is greater than Cyprus, because the principles on which its solution is based are the same on which the future of humanity is based. Vasiliou noted: It is inconceivable and unacceptable that Cyprus constitutes the only exception and that a large part of it is under Turkish occupation, while all the foreign troops have withdrawn from all the countries of the world. It is unacceptable that the UN and UN Security Council resolutions are not implemented, because it is not possible to talk about a new order and to implement only some UN resolutions.

Trade Minister Blewett Assures Iran of Credit

LD2012073991 Tehran IRNA in English 0958 GMT 19 Dec 91

[Text] Tehran, Dec. 19, IRNA—Australia is to provide Iran with a $750 million credit in line with the two countries' policy to expand bilateral trade relations. The above was announced in a meeting between Iranian Minister of Mines and Metals Mohammad Hoseyn

Mahlujchi and Australian Minister of Trade and Overseas Development Neal Blewett in Canberra Tuesday. Australia is ready to provide Iran with further credits in the light of the ever-increasing Tehran-Canberra ties, Blewett told Mahlujchi. No mention has been made as to what the credit is going to be spent on. However, the two sides stressed the need for further boosting of bilateral ties in geological research in Iran, establishment of lead and zinc production units, and transfer of technology. In continuation of his talks with Australian officials, Mahlujchi also met with Director of International Development Program of Australian Universities William Streat. They exchanged views on dispatch of Iranian students to Australia for technical and specialized courses. Mahlouji heading a delegation is on a 12-day visit to Australia since December 10.

Company To Reduce Coal Shipments To Japan

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[Text] Australia's biggest industrial company, BHP, is to reduce its coal shipments to Japan and there will also be a drop in coal prices. BHP's coal division says it has reached agreement with Japanese steel mills following negotiations for contracts covering coking coal prices and shipments for the year starting 1 April 1992.

BHP is to ship more than 8 million tonnes of hard coking coal, a drop of 600,000 tonnes, and prices have been reduced by 50 cents a tonne, or 1 percent. The company says the figures reflect the downturn in Japanese steel production.